

SALASAR

Techno Engineering Limited

Salasar Techno Engineering Limited



17th ANNUAL REPORT 2017-18

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WELCOME TO OUR

ANNUAL REPORT 2017-18

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CORPORATE INFORMATION

CIN: L23201DL2001PLC174076

Board of Directors:	Mr. Alok Kumar Mr. Shashank Agarwal Mr. Shalabh Agarwal Ms. Tripti Gupta Mr. Anil Kumar Jain Mr. Sanjay Chandak Mr. Vijay Kumar Jain Mr. Amit Jain	Chairman and Managing Director Joint Managing Director Whole-time Director Whole-time Director Independent Director Independent Director Independent Director Independent Director
Key Managerial Personnel:	Mr. Kamlesh Kumar Sharma Mr. Rahul Rastogi	Chief Financial Officer Company Secretary
Auditors:	M/s. Arun Naresh & Co.	Statutory Auditor
Bankers:	Bank of India; HDFC Bank; Axis Bank	
Registrar and Share Transfer Agent	BIGSHARE SERVICES PRIVATE LIMITED 4E/8, First Floor, Jhandewalan Extension, New Delhi- 110055 Tel: 011-23522373 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com	
Registered Office:	E-20, South Extension I, New Delhi-110049	
Manufacturing Unit-I	Khasra No. 265, 281-283, Vill.-Parsaun-Dasna, P.O.-Jindal Nagar, Distt. Hapur-201313 (U.P.)	
Manufacturing Unit-II	Khasra No. 1184, 1185, Vill.-Khera, P.O.-Pilkhuwa, Tehsil Hapur, Distt. Hapur--245304 (U.P.)	

BOARD OF DIRECTORS

Mr. Alok Kumar,
Chairman & Managing
Director.



Qualification

B.Sc from Punjab University, Chandigarh.

Professional Career

He has over 43 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.

Associated Since
2006

Mr. Shashank Agarwal
Joint Managing
Director



Qualification

B.E. (Mech.) from MIT, Manipal.

Professional Career

He joined Larsen & Toubro as Graduate Engineer Trainee (GET) and got to know the insights of working in a big organization. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt. Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company and has been the president of our company since takeover till August 2014. He is looking after operations, sales & marketing of telecom towers and solar mounting structures.

Associated Since
2006

Mr. Shalabh Agarwal
Whole Time
Director



Qualification

B.E. (Mech.) from MIT, Manipal.

Professional Career

He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company as Vice President-operations, looking after power transmission line tower segment. He has experience of more than 18 years in sugar industry and trading, manufacturing and fabrication of iron & steel. He is looking after operations, sales & marketing of Power Transmission Towers.

Associated Since
2006

Ms. Tripti Gupta
Whole Time
Director



Qualification

B.Com (Hons.) from Shri Ram College of Commerce, Delhi and MBA in Finance & Marketing from Institute of Management Technology, Nagpur.

Professional Career

She started her career as an Equity Investment Advisor in Motilal Oswal Securities Limited. She has more than 5 years of experience in strategic management, business development, policy making and other corporate matters. She has also been engaged with social enterprises and NGOs in the capacity of Project Coordinator and Content Manager for 8 years and continue to support their efforts informally.

Associated Since
2014

Mr. Anil Kumar Jain
Independent &
Non-Executive Director



Qualification

Fellow Member of Institute of Chartered Accountant of India

Professional Career

He has over 32 years of experience in professional practice with specialization in auditing, business advisory, outsourcing activities & company law. He is the Vice Chairman and Ex-Secretary of Mahavir International (an NGO), past President of Lions Club & IPEX, executive member of various religious and welfare organizations in the Jain community. He was also elected as a member of the Northern India Regional Council (NIRC) of the ICAI from 2004-07. He served consecutively as Treasurer (2004-05) and then Chairman (2005-06) and then Chairman NICASA (2006-07) of the NIRC. He has convened several study groups of the NIRC on banking & company law and many of his articles have been widely published in newspapers, trade magazines and newsletters.

Associated Since
2017

Mr. Sanjay Chandak
Independent &
Non-Executive Director



Qualification

Fellow Member of Institute of Chartered Accountant of India also a Law Graduate

Professional Career

He has experience of over 27 years in profession of Chartered Accountancy. He was Chairman of Faridabad Branch of NIRC of Institute of Chartered Accountants of India during 2001-02 and also for 2003-04. He was also appointed as President of Faridabad Income Tax Bar Association during 2007-08. He was also appointed as Chairman, Member Grievance Committee, Bar-Bench Coordination Committee of FITBAR. He was nominated as member of WTO, FEMA & International tax Committee of the ICAI. He also chaired as Technical Judge at National Convention of CA Students 2011 organized by Board of studies, ICAI and Co-opted member on the Public Relations Committee of NIRC of ICAI. He is having experience of Income Tax, Tax Planning, Statutory Audit of limited and private limited companies having business activity of manufacturing and trading of pneumatic pumps, iron and steel, corrugated boxes, textiles, metal components, rubber parts etc.

Associated Since
2017

Mr. Vijay Kumar Jain
Independent & Non-
Executive Director



Qualification

B.E. (Hons.) and done MBA

Professional Career

He has worked in various capacities in leading organizations in India, starting with Hindustan Motors, National Mineral Development Corporation & Engineering Projects India Ltd. He was also posted at Baghdad for 3 years for execution of a Defence Project. He also acted as Project Coordinator for Coal handling plant at Anapra Power Project in U.P. Later he joined a joint venture of Ansal Properties with a Thai Indian Co. in Bangkok for 3 years. Lastly, he retired as Chief General Manager, J K paper after working with them for 14 years.

Associated Since
2017

Mr. Amit Jain
Independent & Non-
Executive Director



Qualification

Fellow Member of Institute of Chartered Accountants of India and Commerce Graduate

Professional Career

He has worked in various capacities in leading organizations in India starting with Bharti Airtel Limited. In his professional journey he worked with Stel Telecom, Videocon Telecommunications Limited, Venus Capital Limited. His last association was with Indus Towers Limited as Manager Finance. After quitting the job from Indus Towers Limited in 2013 he started his own consultancy firm Amit Jain & Co. situated at Gurgaon.

Associated Since
2017

Mr. Kamlesh Kumar Sharma
Chief Financial Officer



Qualification

Member of Institute of Chartered Accountants of India

Professional Career

He has more than 6 years of experience in Finance & Internal Auditor. Before joining us he had associated with M/s Supreme Alloys Limited as an Internal Auditor. He had joined our Company in 2013 as General Manager – Finance & Taxation and considering his qualification and experience he has been appointed as Chief Financial Officer of our Company on October 03, 2016.

Associated Since
2013

Mr. Rahul Rastogi
Company Secretary and
Compliance Officer



Qualification

Member of Institute of Company Secretaries of India and also a Law Graduate

Professional Career

He has over 6 years of experience in Company Law and related matters. Before joining us he had associated with Vision Group as Company Secretary. He had joined our Company in September 2017 as Company Secretary and Compliance Officer of our Company. He handle all the duties related to Company's Secretarial work along with fulfillment of various compliances.

Associated Since
2017

Company Overview

INCREASED CAPACITY FROM 50,000 MT TO 1,00,000 MT

Installation of new
Galvanizing Plant at its wholly
owned subsidiary – Salasar
Stainless Limited

**ISO 9001: 2015, 14001: 2015
OHSAS 18001: 2007 certified**

**Provider of
customised steel
fabrication and
infrastructure
solutions in India**

FOCUS ON INNOVATIVE PRODUCTS

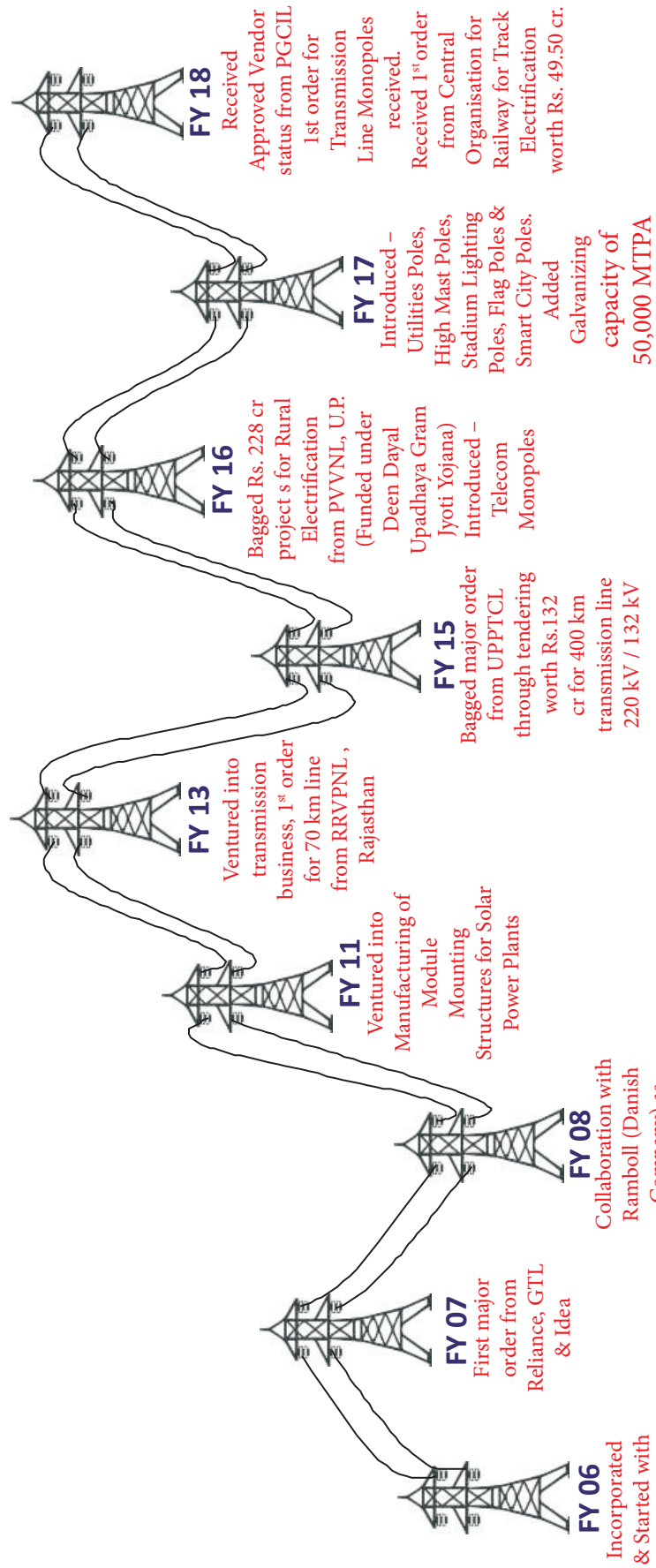


**For Telecommunication Towers, Transmission
Towers & Substation Structures
and Solar Module Mounting
Structures**

**One of India's face and
manufacturing/fabrication partners**

for Ramboll's technical expertise in Telecom towers structural design

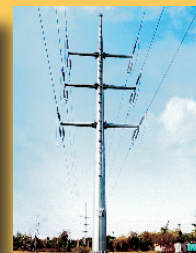
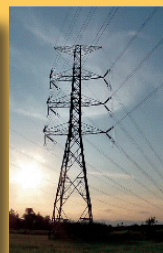
Timeline



Business Overview

Wide Range of Products

- Galvanized steel towers both angular and tubular designs, monopoles, guyed masts for Telecom Sector.
- Angular Towers, joists and other supporting structures for power transmission sector (HT Lines, LT Lines, Sub-Stations, Rural Electrification).
- Module Mounting Structures for Solar Power Plants.
- Camouflaged Towers Solution
- Cold Formed Structures.
- Various types of products for Indian Railways.
- Specific structures as per Customized requirement.
- Transmission Line Monopoles
- Smart City Poles
- Cell on Wheels



WE ARE BUILDING A STRONGER WORLD EVERY MOMENT

LEADING PLAYER IN TELECOM TOWER BUSINESS

Supplied more than 20,000 towers of various designs of Angular, Tubular and Hybrid Ground Based Towers (GBT) and Roof Top Towers (RTT) since inception. The Indian telecom industry has witnessed significant growth in subscriber base over the last decade, with increasing network coverage and a competition-induced decline in tariffs. The growth story and the future potential have also served to attract newer players in the industry, with the result that the intensity of competition has kept increasing, forcing the telecom operators (telcos) to look for cost-cutting measures. Telecommunications in India has grown from a fledgling to a large industry over the last decade, reporting a compounded annual growth rate (CAGR) of around 70% in wireless subscriber base between March 1999 and September 2010. During this period, the size of the wireless subscriber base has increased from 0.12 crore to 68.77 crore, taking wireless tele-density up from 10% to 54%. The growth in subscriber base has been facilitated mainly by the increase in network coverage and decline in tariffs and handset prices. The Government of India's auction of 2G licenses in January 2008 also gave an impetus to the telecom industry's growth by providing more spectrum and allowing new players to enter the arena.

With the addition of a second unit in 2008-09, our Company now provides all kinds of steel fabrication and infrastructure solutions in addition to Telecom Towers and its projects have been executed in all kinds of geographical locations nationally. We have maintained an excellent track record ever since.

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ANGULAR - Angular sections are preferred for most small towers with relatively light loads, mainly because of wide range of sizes, simple connections and low manufacturing cost

Tubular - Lattice towers are usually made of bolted angles can be economic, especially when stresses are low enough to allow relatively simple connections. Towers with tubular members may be less than half weight of angle towers because of reduced wind load on circular sections

Hybrid- Hybrid towers are built for large sites that require independence from grid and employ an independent source of energy such as solar or wind power.

Monopoles - Designed as a single pole that can be a tubular section design or a formed, tapered pole, they are least intrusive making them most popular tower types in wireless communication industry.

Owing to our unfailing commitment to quality and the shortest delivery times, we have emerged as India's preferred Tower supplier within a short time period. Our telecommunications towers and monopoles are designed as per time-tested Ramboll designs, in-house IIT certified designs, or tailored as per customer designs.



Dielectric Tower
-112 mtr.



Tower for ONGC
- 125 mtr.



25 mtr./30 mtr. Monopole



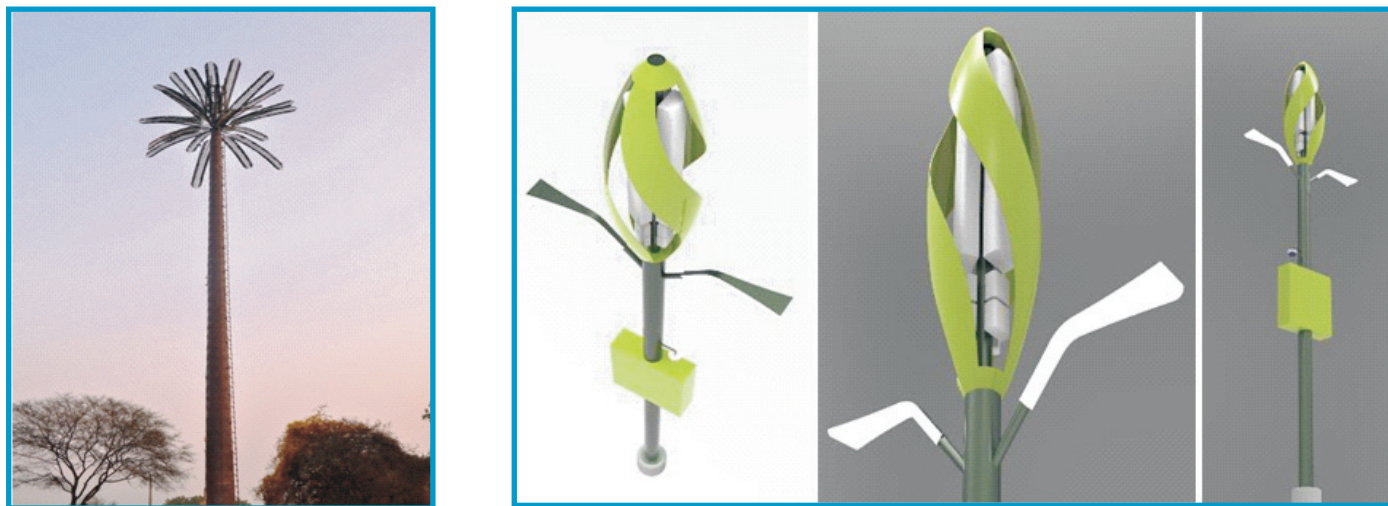
Flange Joint Split Joint Monopoles



CAMOUFLAGED TOWER SOLUTIONS

Telecommunications towers can be anywhere you look. One might be disguised as a stealth cactus in the desert; one may be hidden discreetly as a cross on a church lawn. Others may be found as a silo at the farm or a beautiful palm tree by the beach. As Telecom companies keep filling in the network gaps in networks for the nation's calls, texts and data overload, many have turned to camouflage towers. This is just another indication of how the telecom industry is evolving to meet the demands of consumers who insist on ever-increasing amounts of wireless information but won't necessarily tolerate large unsightly antennas looming over buildings and homes in their community.

OUR CAMOUFLAGED TOWER SOLUTIONS



YOU DIDN'T EVEN SEE IT THERE! STAYING CONNECTED WITH CAMOUFLAGE TELECOM TOWER DESIGNS.



CELL ON WHEELS

EXPANDING HIGH-DEMAND NETWORK COVERAGE WITH CELL ON WHEELS



We've all experienced this situation before: You're on the road and notice you have no cell phone reception or signal. Sometimes that's simply frustrating; sometimes it's dangerous.

Whether you're hosting a month long event or require emergency backup for natural disaster relief, there are temporary, portable tower options that may work for your needs.

Our COWs are not four-legged creatures who chew grass. No, we're referring to portable cell towers mounted on trailers, vans, or trucks. These mobile towers drastically expand network connectivity.

Sometimes if you're in a restricted space. Sometimes you need extra coverage during special events or natural disasters when there's an additional drain on the network.

There are many advantages to adopting COW technology. While typically used as a temporary solution, we can also install these cell towers as permanent stations. When they're mobile, they don't require a foundation and need only grounding and commercial power. Imagine all the possibilities for their use.



SMART POLES:

Under the initiative of the government to develop smart cities around the country, we have endeavored to manufacture and install Smart Cities Poles.

SMART CITY POLES

Smart Poles play a major role in making our cities safer and more manageable.

Designed to look modern and aesthetic, they are equipped with technology like LED lights, CCTV Cameras, Pollution Sensors, Wi Fi Routers, Road Information Display Systems, and Motion-detecting Energy Savers to make our cities smarter.



POWER TRANSMISSION

It is our vision to create a more connected world because a more connected world means a more resilient world. In accordance with this, we undertake projects to set up power transmission lines complete with substations. The services we provided are:

- EPC for Substations
- EPC for transmission lines



POWER TRANSMISSION LINES POLES



SOLAR POWER PLANTS

With growing energy needs the Indian Government is focused towards sustainable development by promoting the use of its abundantly available solar energy for power generation and other application.

To manifest this vision, India in 2009 unveiled a US\$ 19 billion plan to produce 20 GW of Solar Power by end of the next decade. After having established it's forte in Telecom and Transmission Towers space in fabricating and galvanizing finesse, this created a wonderful business opportunity for Salasar Techno Engineering Limited to expand its operations in the design and fabrication and installation of Module mounting structures for lading Companies venturing into the Solar opportunity.

To service its demanding and sophisticated client base, Salasar Techno Engineering Limited manufactures mounting structures using best quality hot rolled and cold rolled sections for its pre and post galvanized structures. The Company aims at customer satisfaction and has delivered turnkey solutions for solar power plants across the Country with successful execution various projects from 1 MW to 20 MW. The Company is committed to continued improvisation of its product to cater to its growing business space.



OUR FORTE

Design: the engineering centre of Salasar is proficient in various designing and detailing software such as Auto CAD, STAAD Pro, MBS, 3DMax, and Tekla X-Steel. The team has a thorough knowledge of various standards of design.

Solar Turnkey EPC Solutions: We provide reliable turnkey services to build large scale grid connected solar power plants for developers and big commercial organizations. We offer turnkey EPC (Engineering Procurement and Construction) and world class project management services to deploy high performing projects on the ground.

We undertake complete EPC for Module Mounting Structures

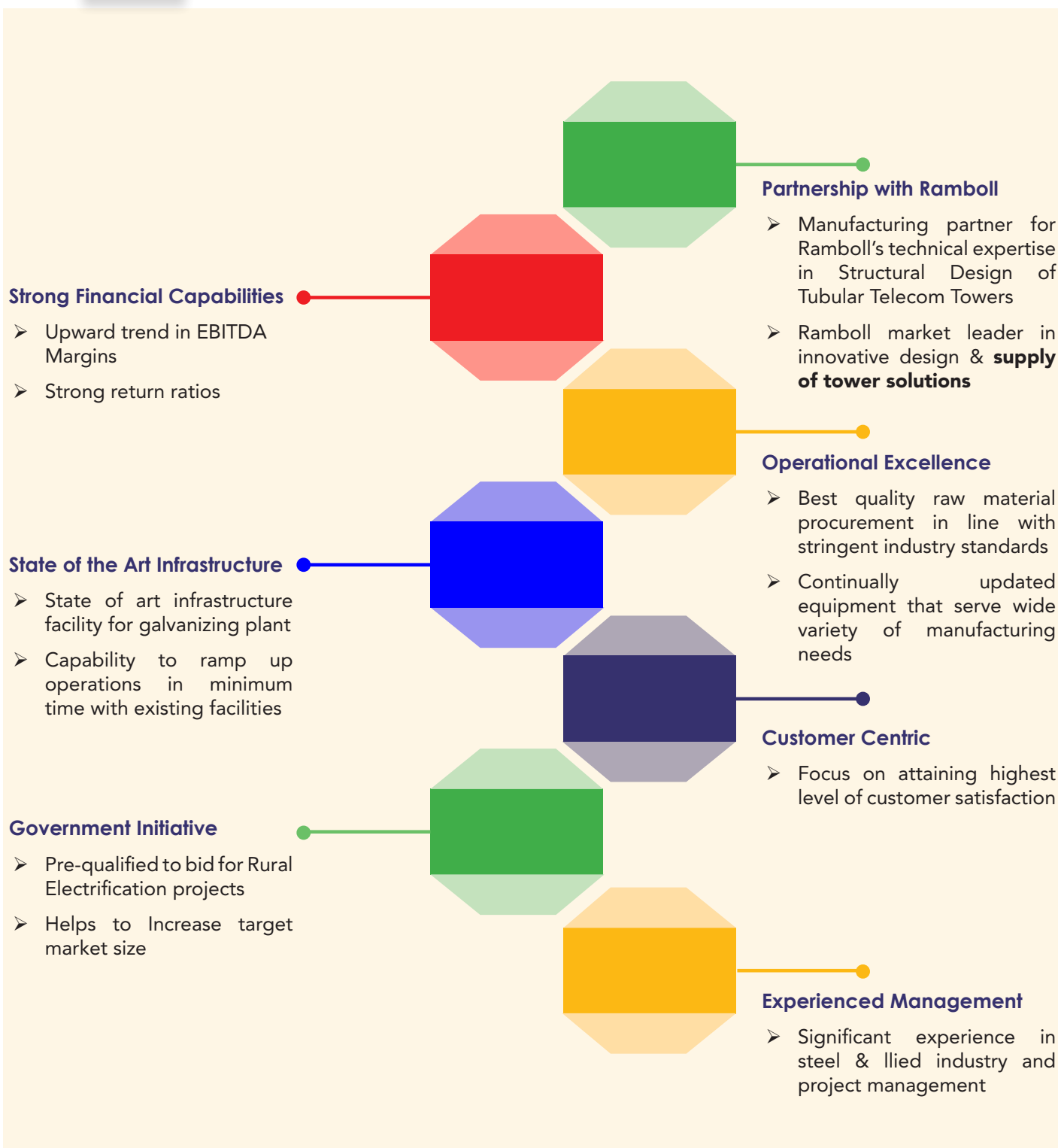
Type of Mounts

- Ground Mounts
- Roof Mounts
- Pole Mounts
- Carport Mounts
- Custom

Type of Tracking

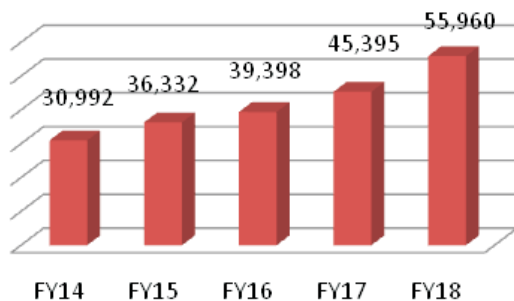
- Fixed Type
- Seasonal Tilt-controlled
- Single axis daily tracking

Key Strengths

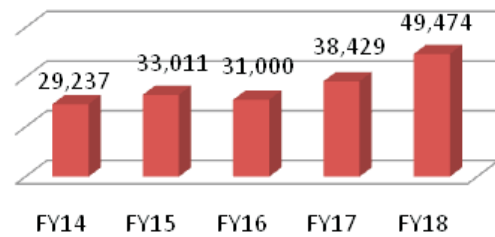


SUCCESSFUL BUSINESS PERFORMANCE

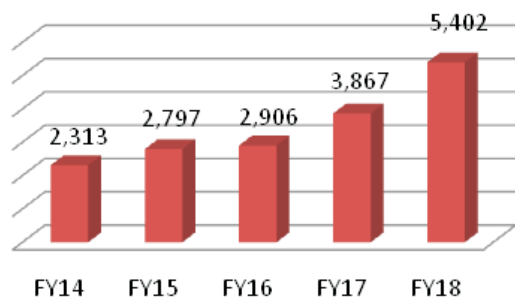
Volume (MT)



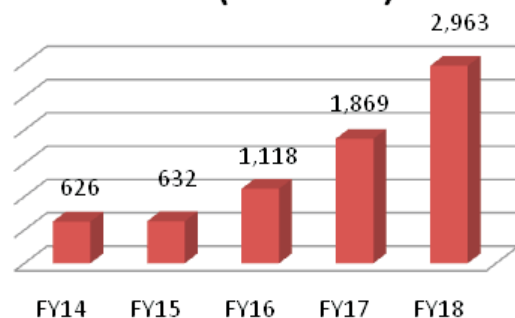
Net Revenue (Rs. in Lakh)



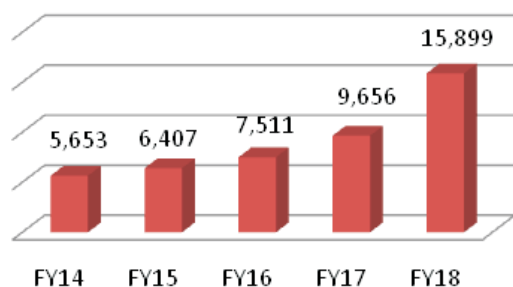
EBITDA (Rs. Lakh)



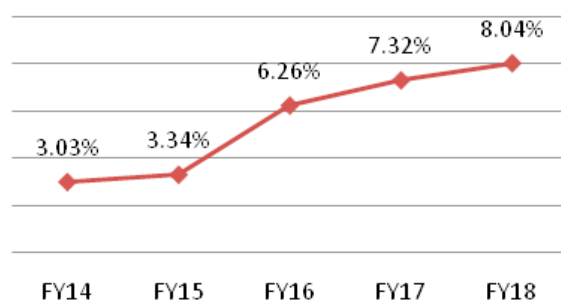
PAT (Rs. Lakh)



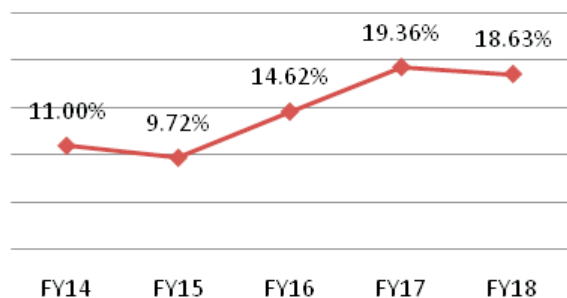
Networth (Rs. in Lakh)



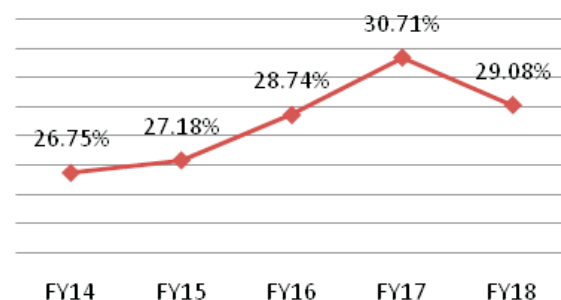
ROA



ROE



ROCE



WE ARE ISO 9001, ISO 14001, OHSAS 18001 CERTIFIED :



CHAIRMAN'S MESSAGE



Dear Shareholders,

I am thrilled to share that your Company had a very successful first year of listing and has been making significant progress towards fortifying its identity as the market leader in the Telecom Tower manufacturing sector. We, at Salasar, are immensely humbled and grateful to each one of you for showing utmost trust and confidence in our Management, business model and our strategy in this first year. In a very challenging global business environment, the IPO was subscribed 273 times, something which happened for the first time in history.

At Salasar, we understood that at a time when the domestic market conditions were showing signs of revival, it would be prudent to strengthen our capabilities to cater to the vast Indian opportunities. Consequently, our superior growth numbers testify the relevance of our strategies, which are closely aligned to external opportunities and the government's key policies. The Company recorded sales growth of 29% from Rs. 384 crores in FY 2017 to Rs. 495 crores in FY2018. This, coupled with innovative cost engineering measures to drive down costs, facilitated a 40% growth in operating EBITDA from Rs. 39 crores in FY2017 to Rs. 54 crores in FY2018. The Company registered a 59% growth in net profit from Rs. 19 crores in FY2017 to Rs. 30 crores in FY2018.

- In the last few years, India is witnessing an increased data demand and at this cusp of data revolution, we believe that the time has arrived for Monopoles towers to gain prominence in the growth of the Telecom sector. With new entrants and increasing proliferation of smart phones among the Indian masses, mobile data will grow exponentially, requiring a significant number of towers over the next few years.

The past couple of years have witnessed significant progressive policy-level changes and effective implementation of directives in sectors in which we are present. It was the government's way of acknowledging that economic growth was hinged on the adequate development of infrastructure. This approach has delivered tangible results, and the potential for progress going forward is immense.

Our Company has also embarked on the growing long-term opportunity coming from monopolies. India, as of now, is largely a lattice tower market. However, the increasing challenges with respect to land acquisition present a strong case for the adoption of monopoly towers. Salasar tested its first transmission monopolies during the year, qualifying itself for more transmission monopolies projects.

Similarly, when we talk about infrastructure, Indian Railway network is among the world's largest rail networks and, the Government continues to build it further. It plans to commission new Railway lines connecting untapped places and has committed investments towards capital and development expenditure of railways. This presents a significant opportunity for Salasar Techno Engineering.

Looking ahead, we see a prosperous future for the country, particularly the infrastructure sector, which will benefit the Company. Our success so far has been driven by our most important asset – our team! I would like to take this opportunity to thank each and every member of the Salasar Techno Engineering family. I would also like to thank our Clients, Creditors, Banks, Financial Institutions and other Stakeholders, without whose patronage we could not have been where we are.

Very Sincerely

Alok Kumar

Chairman and Managing Director

NOTICE OF 17TH ANNUAL GENERAL MEETING 2017-18

Notice is hereby given that the 17th Annual General Meeting of the Members of the Company will be held on Friday, 28th September, 2018 at 10:00 A.M. J. P. Resort, 6B, Patparganj I.P Extension, NH-24, Behind CNG Petrol Pump, New Delhi- 110092 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon, and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 and the report of the Auditors thereon;
2. To declare a dividend on Equity Shares;
3. Re-appointment of Mr. Shalabh Agarwal (DIN: 00316155) as a Whole Time Director liable to Retire by Rotation
4. **To ratify the appointment of M/s Arun Naresh & Co., as Statutory Auditors and fix their remuneration and for that purpose to pass with or without modification(s) the following as an ORDINARY RESOLUTION:**
Resolved That pursuant to Section 139 and all other applicable provisions of the Companies Act, 2013, if any, 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 Arun Naresh & CO, Chartered Accountant (FRN 007127-N) be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till conclusion of the Twenty First Annual General Meeting of the Company to be held in the year 2022 at a remuneration to be fixed by the Board of Directors on the recommendation of Audit Committee plus applicable taxes thereon and reimbursement expenses, if any, incurred by them in connection with the Audit."

SPECIAL BUSINESS:

Remuneration of Cost Auditor

5. To Consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION:**
"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules issued thereunder including Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 40,000/- plus applicable taxes and reimbursement of out of pocket expenses as approved by the Board of Directors on the recommendation of the Audit Committee, to be paid to M/s. S. Shekhar & Co., Cost Accountant (Firm Registration No. 000452) appointed by the Board of Directors as the Cost Auditor of the Company for conducting the Audit of Cost Records maintained by the Company for the Financial Year ended March 31, 2019 be and is hereby ratified and confirmed."

For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Date : 14.08.2018

Place: New Delhi

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL, INSTEAD OF HIMSELF / HERSELF / ITSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF AGM i.e. BY 10:00 A.M. ON SEPTEMBER 28TH 2018.
2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than the total share capital of the Company carrying voting rights. A member holding, more than 10% of the total capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder of the Company.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days' notice in writing is given to the Company.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 22nd, 2018 to Friday, September 28, 2018 (both days inclusive) for purpose of 17th AGM and for payment of Dividend for the Financial Year ended March 31, 2018.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
6. Members/Proxies are requested to bring their attendance slip duly completed along with their copy of Annual Report to the meeting.
7. Members are requested to write to the Company, their query (ies), if any, on the Accounts and operations of the Company at its registered office at least ten days prior to the date of meeting to enable the management to keep the information ready at the meeting.
8. Members are informed that in case of Joint Holders attending the meeting; only such joint holders whose name appears first in the order will be entitled to vote.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore, requested to submit their PAN to the Depository participant with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent/Company.
10. Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
11. Notice of the Annual General Meeting along with the Annual Report 2017-18 of the Company is being sent to all the Members in the electronic mode, whose email addresses are registered with the Depository Participant, unless any member has requested for a hard copy of the same and for members who have not registered their email address, hard copy of Annual Report are being sent.
12. The Board of Directors have recommended a final dividend of Rs. 1/- per equity share of Rs. 10/- each for the financial year 2017-18. The Dividend on equity shares for the Financial Year 2017-18, if declared, will be paid within a period of 30 days from the date of Annual general Meeting, to those members whose name appears in the Company's Register of Members and to those persons whose name appears as beneficial owner as per the details to be furnished by National Security Depository Limited and Central Depository Services (India) Limited as the close of business hours on September 21st, 2018.
13. Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not liable to transfer in Investor Education and Protection Fund.
14. Register of Directors and key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting of the Company.

15. Members may also note that the Notice of Annual General Meeting and the Annual Report for the Financial Year 2017-18 are also available on the Company's Website www.salasartechno.com under the section 'Investors'.
16. Investor Grievance Redressal: the Company has designed an exclusive e-mail ID viz. compliance@salasartechno.com to enable the investors to register their Complaints, if any.
17. A route map showing directions to reach the venue of the 17th AGM is given at the end of the Annual Report.
18. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to members to exercise their right to vote at the 17th Annual General Meeting (AGM) by electronic means and members may cast their votes through e-voting services provided by the Central Depository Services (India) Limited (CDSL).

The facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by e-voting shall be able to vote at the meeting through Ballot paper. Members have option to vote either e-voting or through the Ballot Paper. If a member has opted for e-voting, then he/she should not vote BY Ballot Paper and vice-versa.

However, in case members cast their vote both via Ballot Paper and e-voting, then voting through e-voting shall prevail and voting done by Ballot Paper shall be treated as invalid.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2018 (09:00 a.m.) and ends on 27th September 2018 (5:00 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 i.e. 21st September, 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.
- (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 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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.
Dividend Bank Details	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.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> 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).

- (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 relevant Salasar Techno Engineering Limited on which you choose to
 - (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 login 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 and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com
19. Ms. Deepika Gaur of M/s Deepkia Madhwal & Associates Practicing Company Secretary (Membership No. 31234) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
 20. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person or the person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.

The results of voting will be declared within 48 hours from the conclusion of AGM and the Resolutions will be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes.

21. The declared result along with the Scrutinizer's Report, will be available forthwith on the Company's website www.salasartechno.com under the section 'Investors' and on the website of CDSL; such results will also be forwarded to the national Stock Exchange of India & BSE Limited.
22. All the documents referred in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11:00 AM to 4:00 PM up to the date of Annual general Meeting.

RE-APPOINTMENT/APPOINTMENT OF DIRECTORS (ANNEXURE TO NOTICE)

**A brief resume in respect of the proposed re-appointment/appointment of Directors
is given below in terms of Regulation 36(3) of SEBI (LODR), 2015**

Particulars	Mr. Shalabh Agarwal
DIN	00316155
Date of Birth	27/12/1973
Date of Appointment in the Board	03/07/2014
Qualifications	B.Tech from MIT, Manipal
Experience	Mr. Agarwal joined his family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company as Vice President –operations, looking after transmission line tower segment. He has experience of more than 19 years in sugar industry and trading, manufacturing and fabrication of iron & steel. He is looking after operations, sales & marketing of Power Transmission Towers.
Directorship held in others Listed Companies	Nil
Membership in Committee across other Listed Companies	Nil
Number of Shares held in the Company	1280592
Relationship with other Directors	Younger brother of Mr. Shashank Agarwal

Details of Shareholding/other Convertible Securities of Non-Executive Directors of the Company (Pursuant to Regulation 36(3) of SEBI (LODR), 2015)

SI. NO.	NAME OF DIRECTOR	NO. OF EQUITY SHARES
1.	Mr. Anil Kumar Jain	NIL
2.	Mr. Sanjay Chandak	NIL
3.	Mr. Vijay Kumar Jain	NIL
4.	Mr. Amit Jain	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s S. Shekhar & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the Cost Records of the Company for the Financial Year 2017-18 as per the following details:

Product	Factory
Galvanised and Non-galvanised Steel Structure (Telecom Towers, Transmission Towers, Monopoles, Solar Module Mounting Structure)	Unit-I: Khasra No. 265, 281-283, Vill Parsaun-Dasna, P.O. Jindal Nagar, Distt. Hapur- 201313 (U.P.)
	Unit-II: Khasra No. 1184, 1185, Vill. Khera, P.O. Pilkhuwa, Distt. Hapur- 245304, (U.P.)

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 as amended up to date, the remuneration payable to Cost Auditors is to be ratified by the Shareholders for the Financial Year 2018-19 by way of an Ordinary resolution.

The Board of Directors recommends the resolution as set out in item No. 5 of the notice for approval of members.

None of the Directors and key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise in the resolutions.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

**Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh**

Date : 14.08.2018

Place: New Delhi

DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting their 17th Annual Report on the business and operations of the Company and the Consolidated and Standalone Audited Financial Statements of the Company for the Financial Year ended March 31st, 2018.

FINANCIAL RESULTS:

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

	STANDALONE (Amount in Lakhs.)		CONSOLIDATED (Amount in Lakhs.)	
Particulars	2017-18	2016-17	2017-18	2016-17
Gross Revenue	48,625.78	40,409.49	50,392.65	41,659.97
Total Expenses	45,251.17	37,836.82	46,094.97	38,830.66
Profit before Depreciation, Exceptional items & Tax	3,531.01	2,697.33	4,683.76	3,158.16
Less: Depreciation	156.41	124.67	386.09	328.85
Exceptional Items	25.62	50.83	25.62	50.83
Profit before Tax	3,400.23	2,623.49	4,332.80	2,880.14
Less: Provision for Taxation				
Current Tax	1,170.60	1,001.00	1,420.81	1,056.63
Deferred Tax	(30.97)	(48.66)	(60.10)	(45.89)
Profit after tax (PAT)	2,260.59	1,671.15	2,962.10	1,869.40
Other Comprehensive Income	1.74	(1.35)	4.73	(0.26)
Total comprehensive income	2,262.33	1,669.80	2,966.83	1,869.15
Add: Balance brought forward from Previous year	5,793.39	4,123.59	6,275.02	4,408.38
Surplus available for appropriation	8,055.72	5,793.39	9,241.85	6,277.53
Appropriations:				
Dividend on Equity Shares	132.85	-	132.85	-
Tax on Dividend	27.05	-	27.05	-
Balance Carried to Balance Sheet	7,895.82	5,793.39	9,081.95	6,275.02*
No. of Equity Shares	1,32,85,264	99,56,300	1,32,85,264	99,56,300
Earning per share (Basic)	18.47	16.78	24.21	18.78
Earning per Share (Diluted)	18.47	16.78	24.21	18.78

* After deduction of Rs. 2.51 Lakh of adjustment on amalgamation of Ganges Concast Industries Ltd a wholly owned subsidiary of Salasar Stainless Ltd.

FINANCIAL PERFORMANCE:

The Company continued on its growth trajectory in Financial Year 2017-18. During the year under review, your Company reported a top-line growth of 27.97% over the previous year. At Standalone level, the Revenue from operations amounted to Rs. 47,728.80 Lakhs as against Rs 37296.02 Lakhs in the previous financial year. The increase in turnover reflects performance of the Company on the expected line in the Current Year sales. The Company is able to capitalize on the market conditions through its operational excellence, higher efficiency and well executed strategies around project execution and product placement. Other income has also increased as compared to previous year, primarily on account of interest on Fixed Deposits pledge with bank as margin money. Other income includes interest income.

The Profit Before Tax amounted to Rs. 3,400.23 Lakhs as against Rs. 2,623.49 Lakhs in the previous financial year. Company's Profit After tax was Rs. 2,260.59 Lakhs as compared to Rs. 1,671.15 Lakhs in the previous financial year.

The Consolidated Revenue from operations amounted to Rs. 49,474.07 Lakhs as against Rs. 38,428.57 Lakhs in the previous financial year, registering a growth of 28.74%. The Profit Before Tax amounted to Rs. 4,322.80 Lakhs as against Rs. 2,880.14 Lakhs in the previous financial year. Company's Profit After tax was Rs. 2,962.10 Lakhs as compared to Rs. 1,869.40 Lakhs in the previous financial year.

The performance and Financial position of the subsidiary companies are included in the Consolidated Financial Statements and presented in the Management Discussion and Analysis Report forming part of this Annual Report.

BUSINESS OPERATIONS:

The Company is primarily engaged in the business of Manufacturing and sale of galvanized steel structure including telecom towers, transmission line towers and solar panels. Your Company has two manufacturing units at Jindal Nagar, Hapur District (UP) and Khera Dehat, Hapur District (UP). During the year under review, your Company performed well despite various challenges in the manufacturing sector adversely affecting raw material and consumables. Your Company expanded its operations.

DIVIDEND:

Your Directors have recommended a Dividend of Rs. 1.00 (Rupee One, i.e. 10%) per equity share of face value of Rs. 10.00 (Rupees Ten Only) each and (Interim Dividend already paid Rs. 1.00 per Equity Share) for whole of the year aggregating to Rs. 1,32,85,264.00 (excluding Dividend Distribution Tax) for the Financial Year 2017-18, which, if approved by the members at the ensuing 17th Annual General Meeting (AGM), will be paid to those members whose name appear in the Company's Register of Members and to those persons whose name appear as Beneficial Owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as at the close of business hours on September 21, 2018.

In terms of Regulation 43A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations"), the Company has formulated a Dividend Distribution Policy which is enclosed herewith as Annexure-A, and is also available on the website of the Company at <http://www.salasartechno.com>

TRANSFER TO RESERVES:

The Company has not made any transfer to reserve during the Financial Year 2017-18. However, profit for the year is shown as surplus under the head Reserve & Surplus during the financial year 2017-18.

PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year; **NIL**
- (b) remained unpaid or unclaimed as at the end of the year; **NIL**
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-**NIL**
 - (i) at the beginning of the year; **NA**
 - (ii) maximum during the year; **NA**
 - (iii) at the end of the year; **NA**

During the year under review, your Company had not accepted or renewed the deposits which are not in compliance with the requirements of Chapter V of the Act;

SHARE CAPITAL AND INITIAL PUBLIC OFFERING

(a) Initial Public Offering (IPO)

During the Financial Year 2017-18, your Company entered into the Securities Market through Initial Public Offering (IPO). The public issue comprised of Fresh Issue of 33,28,964 Equity Shares of Rs. 10/- each at a premium of Rs. 98/- per share aggregating to Rs. 35,95,28,112.

Equity Shares of the Company are listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are regularly traded on both the exchanges w.e.f. July 25, 2017.

(b) Change in the capital structure of the Company

During the year your Company has allotted 33,28,964 Equity Shares of Rs. 10/- each at a premium of Rs. 98/- per share by way of Initial Public Offering (IPO). Therefore the paid up Share Capital of the Company has been increased from Rs. 9,95,63,000/- to Rs. 13,28,52,640/-

(c) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in Electronic form. As on March 31, 2018, 99.9999% of the Company's total paid up capital representing 1,32,85,259 shares are in dematerialized form and 0.00001% of the Company's total paid up capital representing 5 shares are in physical form.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 125 of the Companies Act, 2013 the Company has Unclaimed and Unpaid Dividend but the unpaid Dividend amount not liable to transfer in Investor Education and Protection Fund.

GENERAL DISCLOSURES

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

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Directors are optimistic about company's business and hopeful of better performance with increased revenue incoming year. There was no change in the nature of business of Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no situation which may be prejudicial to the interest of the members of the Company or which may impact the going concern status and company's operation of the Company in the future.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as applicable for the year under review is presented in a separate section forming part of this Annual Report are attached hereto as **"Annexure-B"**

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has a wholly owned subsidiary based at Delhi namely- Salasar Stainless Ltd. Details of Subsidiary company is hereunder. The Company has entered into Joint Venture with Sikka Engineering Company named as Sikka- Salasar JV dated 30th March, 2017 while the company does not have any Associate Company.

Sl. No.	Name and Address of the Company	CIN/GLN/PAN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Salasar Stainless Ltd C-211, 2 nd Floor, C-Block, Narwana Apartment, I.P EXTN. Patparganj, Delhi-110092	U27205DL2010PLC201399	Wholly Owned Subsidiary	100%	2(87)

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARY INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The statement containing the financial statement of Salasar Stainless Ltd being the subsidiary of the Company was duly disclosed in the Balance sheet under Schedule 12. Details of financial of subsidiary as required under the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 is being attached with the Board's Report in FormAOC-1 as **Annexure-C** and the forming part of the Board's Report. Details of financial of Joint Venture as required under the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 is being attached with the Board's Report in FormAOC-1 as **Annexure-C1** and the forming part of the Board's Report.

DEPRICIATION AND AMORTIZATION

The Company had followed Straight-line method on its tangible fixed assets the rates prescribed under the Part C of the Schedule II of the Companies Act, 2013, Intangible fixed assets stated at cost less accumulated amount of amortization.

AUDITORS

STATUTORY AUDITORS

The Members of the Company at the Annual General Meeting of the Company held on July 19, 2017 had appointed M/s Arun Naresh & CO., Chartered Accountant (FRN 007127-N) as Statutory Auditor of the Company to hold such office till the conclusion of the ensuing the Annual General Meeting.

M/s Arun Naresh & CO., Chartered Accountant (FRN 007127-N) has confirmed their eligibility and willingness to accept office, if appointment is ratified by the Members of the Company.

Your Directors recommend ratification of appointment of Statutory Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in 2022 subject to ratification in each AGM.

The Statutory Auditors' Report for the FY 2017-18 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors to the Company under sub-section (12) of Section 143 of the Act.

COST AUDITOR

Pursuant to Section 148 read with Section 141 & 143 and other applicable provisions of the Companies Act, 2013, read with Rule 6 of the Companies (Cost Records and Audit Rules), 2014 as amended from time to time, your Company has carried out audit of Cost Records every year. The Board of Directors on the recommendation of Audit Committee has appointed M/S S. Shekhar & Co., Cost Accountants (Membership No. 30477, FRN 000452), as cost Auditors of the Company for the Financial Year 2017-18. As required under the Companies Act, 2013 a resolution seeking members' approval for remuneration payable to the Cost Auditor for part of the Notice convening the Annual General Meeting for their ratification.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, the Company has appointed M/s Deepika Madhwal & Associates (C. P. No. 14808) Practicing Company secretaries, to do Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report for the Financial Year ended 31st march, 2018 is attached and marked as '**Annexure-D**' and forms part of the Board's Reports.

The observation made by Secretarial Auditors in their report are self explanatory and therefore do not call for any further explanations/comments. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDIT

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rule, 2014 as amended from time to time, the Board of Directors had appointed M/s VAPS & Co., Chartered Accountants, New Delhi (FRN 003612N) as internal auditor of the Company to conduct internal audit of the Company from 01st October, 2017 to 31st March, 2018.

Further on recommendation of audit committee, the Board of Directors of the Company has approved the re-appointment of aforesaid audit firm as internal auditors for the financial year 2018-19.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No.MGT-9, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, has been made part of the Board's Report as '**Annexure-E**'.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of Energy:

During the financial year under review, following specific actions were taken by the Company at its various locations, which resulted in saving of energy consumption:

- (i) Installation of Induction Lights/ LED Lights at various locations resulting in saving of energy.
- (ii) The Company has substituted the use of furnace oil with LPG in the zinc melting furnace of galvanizing plant at our one Unit. LPG is a more sustainable fuel than furnace oil and minimizes environmental pollution and also leads to more efficiency.
- (iii) Replacement of old motors with energy efficient motors.

B) Technology Absorption:

- (i) The efforts made towards technology absorption:
 - Manufacturing process is continuously monitored to ensure better productivity.
 - The Company is using new technology machines for better production and effective utilization of resources.
- (ii) The benefits derived:
 - Improvement in product quality.
 - Improved productivity and cost reduction
 - Introduction of new and improved products.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - (a) Technology imported: No technology has been imported in the last 3 years
 - (b) Year of import: Not Applicable
 - (c) Whether the technology been fully absorbed: Not Applicable
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
- (iv) The expenditure incurred on Research and Development (R&D):
No major expenses have been incurred on R&D.

C) Foreign exchange earnings and Outgo:

Following are the details of total foreign exchange earned and used during the last financial year:

(Rs. in Lakh)

Particulars	FY 2017-18	FY 2016-17
Foreign exchange earned	2,105.89	564.07
Foreign exchange used	520.80	55.26

DIRECTORS:

A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Article of Association of the Company, Mr. Shalabh Agarwal Whole time Director (DIN:00316155) of the Company is liable to retire by rotation and being eligible, offer himself for re-appointment. The Board recommends the re-appointment of Mr. Shalabh Agarwal as Whole Time Director in the ensuing AGM of the Company.

During the year under review, Mr. Rahul Rastogi appointed as Company Secretary of the Company w.e.f. 30th September, 2017 in place of Ms. Bavneet Kaur.

All the Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

(B) DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

(C) BOARD EVALUATION

As per the provisions of the Companies Act, 2013 a formal annual evaluation needs to be made by the Board of its own performance and of its Committees And their individual Directors. Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the annual performance evaluation of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees and Chairman of the Board.

The above said evaluation based on the criteria which includes, among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees. The detailed analysis of performance evolution is incorporated under nomination and Remuneration Committee head in Corporate Governance Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Vigil Mechanism Policy has been posted on the website of the Company.

The aforesaid policy can be accessed on the Company's website www.salasartechno.com.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The company conducts its businesses with high standards of legal, statutory and regulatory compliances. A dedicated Compliance Cell ensures that adequate internal financial controls with reference to the Financial Statement of the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The provisions of Section 197(12) of the Act read with Rules 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, is annexed to the Board's report as 'Annexure-F'.

MEETINGS OF THE BOARD

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their programme. The Agenda of the meeting is circulated to the members of the Board well in advance along with the necessary papers, reports, recommendations and supporting documents so that each board member can actively participate on agenda items during the meeting.

The board met 16 (Sixteen) times during the Financial Year 2017-18. The maximum intervals between any two meetings did not exceed 120 days. Details of Board Meetings and held during the period under review are given in Corporate Governance Report.

AUDIT COMMITTEE

The Company has constituted Audit Committee as per the provisions of the Companies Act, 2013. The details of terms of reference of the Audit Committee, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report. The Audit committee satisfies the requirements of section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no instances, where Board had not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to provisions of Section 178(3) of the Companies Act, 2013, read with rules made there under and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has a Nomination and Remuneration Committee and the details of terms of reference, number & dates of meeting held, attendance and other details are given separately in the Corporate Governance Report. The Board on the recommendation of Nomination

& Remuneration Committee the Committee had formulated the criteria for determining qualifications, positive attributes and independence of directors and the same was recommended to the Board. The Board had approved the policy. Also the committees was the deciding factors in decisions like remuneration of Directors, KMP's and other employees, identifying qualified personnel to appoint in Key Management of the Company etc. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

COMPANY'S POLICY ON REMUNERATION OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The Policy of the Company on remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is annexed to the Board's Report as **Annexure G**.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ITS COMMITTEES

The company has always taken steps initiating the Corporate Social Responsibility. The Company's endeavor is to create value for the nation, enhancing the quality of life across the entire socio-economic spectrum. The Company strives to seek greater alignment between its stakeholders to generate value in the long-term.

The Company aims to develop products and services centered on driving customer satisfaction, while contributing to the overall objective of community development. The CSR policy of the Company can be accessed on the Company's website: www.salasartechno.com.

The Company is committed to operate and grow its business in a socially responsible way. The core values strengthening your Company's business actions comprise of Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The company require to spent an amount of Rs. 35.94 Lakh in CSR activities, whereas the Company has spent Rs. 48.46 Lakh. The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been made as per '**Annexure H**'.

STAKEHOLDER'S RELATIONSHIP COMMITTEE:

Stakeholder's Relationship Committee has been constituted by the Board in accordance with section 178 of the Companies Act, 2013.

The details regarding composition, terms of reference, power, functions, scope, meetings, attendance of members and the status of complaints received during the year are included in the Corporate Governance Report which forms part of the Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The management Discussion and Analysis for the year under review as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report and marked as "**Annexure- I**".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The loans given, investments made and guarantee given & securities provided during the year under review are in compliance with the provisions of the Act and Rules framed thereunder and details thereof are given in the Notes to the Standalone Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered with Related Parties during the financial year were on arm's length basis and were in the ordinary course of business. The Audit committee grants omnibus approval for the transactions that are in the ordinary course of business and repetitive in nature. For other transactions, the Company obtain specific approval of the Audit Committee before entering into any such transactions. Further, disclosure as required under Indian Accounting Standards ("IND AS")- 24 have been made in Note No. 37 to the standalone Financial Statements.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. The policy on related party transaction, as formulated by the Board is available on the Company's website i.e. www.salasartechno.com under investor tab.

ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory authorities for governance matters.

ROLE OF THE CHIEF FINANCIAL OFFICER (KMP)

During the year under review, Your Company designated Mr. Kamlesh Kumar Sharma, a key employee of the Company as Chief Financial Officer-Cum-Key Managerial Personnel of the Company who plays a pivotal role in ensuring the compliance of applicable accounting procedures, taxation aspects and administrative policies are followed and regularly reviewed. The Chief Financial Officer-Cum-Key Managerial Personnel ensures that all relevant information pertaining to accounting policy including details and documents are made available to the Directors for taking effective decision-making at the meetings.

RISK MANAGEMENT POLICY

The Company has adopted the measures concerning the development and implementation of a Risk Management System in terms of Section 134(3)(n) of the Companies Act, 2013 after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Company has an elaborate Risk Management process of identification, assessment and prioritization of risk followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Risk Management procedure is reviewed by the Audit Committee from time to time, to ensure that the executive management controls risks through means of a properly defined framework. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

During the year under review, the Company has not received any complaint under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee under the aforesaid Act is yet to be constituted. The Board is making its effort to identify third-party representative from an NGO/an agency conversant with the subject and having experience in social service or be familiar with labour, service, civil or criminal law.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013. :

- (a) In the preparation of the annual accounts for the financial year 2017-18, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies, 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 2017-18 and of the profit and loss of the company ended on that date;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors acknowledge with sincere gratitude, the cooperation and help extended by all the stakeholders of your Company including its esteemed shareholders, government departments and agencies, financial institutions and banks, customers, vendors and employees.

ANNEXURES

The following annexures form part of this Report:

- a. Dividend Distribution Policy- Annexure 'A'
- b. Corporate Governance Report- Annexure 'B'
- c. Details of Financial of Subsidiaries- Annexure 'C'
- d. Details of Financial of Joint Ventures- Annexure 'C1'
- e. Secretarial Audit Report- Annexure 'D'
- f. Extract of Annual Return- Annexure 'E'
- g. Information under sub-rule (1) of Rule 5 of the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014- Annexure 'F'
- h. Nomination and Remuneration Policy- Annexure 'G'
- i. Corporate Social Responsibility Report- Annexure 'H'
- j. Management Discussion and Analysis Report- Annexure 'I'

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018
Place: New Delhi

ANNEXURES TO THE BOARD'S REPORT

ANNEXURE- 'A'

DIVIDEND DISTRIBUTION POLICY

DIVIDEND DISTRIBUTION POLICY

INTRODUCTION

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, prescribed Listed Companies are required to frame a Dividend Distribution Policy.

PURPOSE

The purpose of this Policy is to regulate the process of dividend declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

AUTHORITY

This Policy has been adopted by the Board of Directors of Salasar Techno Engineering Limited ('the Company').

FORMS OF DIVIDENDS

The Companies Act provides for two forms of Dividend:

1. Final Dividend

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the general meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

Process for approval of payment of Final Dividend:

- Board to recommend quantum of Final Dividend payable to Shareholders in its meeting in line with this policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual general Meeting;
- Once in financial year.

2. Interim Dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, in line with this policy. The Board should consider declaring an interim dividend after finalization of quarterly/ half yearly financial results. This would be in order to supplement the annual dividend or to reward shareholders in exceptional circumstances.

Process for approval of payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion in line with this policy;
- Based on profits arrived at as per quarterly (or half-yearly) financial statements including exceptional items;
- One or more times in a financial year.

QUANTUM OF DIVIDEND AND DISTRIBUTION

Dividend payout in a particular year shall be determined after considering the operating and financial performance of the Company and the cash requirement for financing the Company's future growth. In line with the past practice, the payout ratio is expected to grow in accordance with the profitable growth of the Company under normal circumstances.

DECLARATION OF DIVIDEND

Dividend shall be declared or paid only out of-

- 1) Current financial year's profit:
 - a) after providing for depreciation in accordance with law;
 - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion
 - 2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed; or
 - 3) out of 1) & 2) both.
- The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following:
- a. Due to operation of any other law in force;
 - b. Due to losses incurred by the Company and the Board considers it appropriate not to declare dividend for any particular year;
 - c. Due to any restrictions and covenants contained in any agreement as may be entered with the Lenders and
 - d. Due to any default on part of the company.

FACTORS AFFECTING DIVIDEND DECLARATION:

The Dividend pay-out decision of any company, depends upon certain external and internal factors-

External Factors:

1. **Legal/ Statutory Provisions and Regulatory concern:** The Board should keep in mind the restrictions imposed by Companies Act, any other applicable laws with regard to declaration and distribution of dividend. Further, any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company may also impact the declaration of dividend.
2. **State of Economy:** The Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks in case of uncertain or recessionary economic conditions and in situation where the policy decisions of the Government have a bearing on or affect the business of the Company.
3. **Nature of Industry:** The nature of industry in which a company is operating, influences the dividend decision. Like the industries with stable demand throughout the year are in a position to have stable earnings and thus declare stable dividends.
4. **Taxation Policy:** The tax policy of a country also influences the dividend policy of a company. The rate of tax directly influences the amount of profits available to the company for declaring dividends.
5. **Capital Markets:** In case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows and reduce the cost of raising funds through alternate resources.

Internal Factors:

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include -

1. **Magnitude and Stability of Earnings:** The extent of stability and magnitude of company's earnings will directly influence the dividend declaration. Thus, the dividend is directly linked with the availability of the earnings (including accumulated earnings) with the company.
2. **Liquidity Position:** A company's liquidity position also determines the level of dividend. If a company does not have sufficient cash resources to make dividend payment, then it may reduce the amount of dividend pay-out.
3. **Future Requirements:** If a company foresees some profitable investment opportunities in near future including but not limited to Brand/ Business Acquisitions, Expansion / Modernization of existing businesses, Additional investments in subsidiaries/associates of the Company, Fresh investments into external businesses, then it may decide for lower dividend payout and vice-versa.
4. Leverage profile and liabilities of the Company.
5. Any other factor as deemed fit by the Board.

RETAINED EARNINGS

The portions of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the company and maintaining adequate liquidity levels.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

The Company does not have different classes of shares and follows the 'one share, one vote' principle.

REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Executive Management Committee has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

'ANNEXURE- B'

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), but also several inherent core values at a superior level of business ethics, effective supervision and enhancement of shareholders' value. These core values are central to the business philosophy of the Company and act as the guiding inspiration for the day-to-day business operations.

The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values.

Your Company is fully compliant with all the provisions of Companies Act, 2013, Listing Regulations and other applicable rules & bye laws. The details of Compliances are as follows:-

2. BOARD OF DIRECTORS

A. Composition of Board:-

- i.) As on March 31, 2018, the Company has Eight Directors. Out of the Eight Directors four are Executive Directors and four are Non-Executive Independent Directors. The board of the Company duly constituted as per the requirements of Companies Act, 2013 read with rule made thereunder and Listing Regulations. The composition and category of Directors of the Company are as follows:

Name of Director(s)	Designation	Category
Mr. Alok Kumar	Managing Director	Promoter-Executive
Mr. Shashank Agarwal	Jt. Managing Director	Promoter-Executive
Mr. Shalabh Agarwal	Whole Time Director	Promoter-Executive
Ms. Tripti Gupta	Whole Time Director	Promoter-Executive
Mr. Anil Kumar Jain	Independent Director	Non-Executive/Independent
Mr. Sanjay Chandak	Independent Director	Non-Executive/Independent
Mr. Vijay Kumar Jain	Independent Director	Non-Executive/Independent
Mr. Amit Jain	Independent Director	Non-Executive/Independent

- ii) None of the Directors are related to each other on the Board except Mr. Shashank Agarwal and Mr. Shalabh Agarwal who are Brothers.
- iii) All the Directors have given disclosures of interest as required in the Companies Act, 2013 and rules made thereunder.
- iv) As per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, all the Independent Directors on the Company's Board are Non-Executive.

B. Details of Board Meetings held during the year ended 31st march 2018:-

The Board of Directors met 16 (Sixteen) times during the Financial Year 2017-18. The details of the meetings of the Board of Directors held during the year are as follows:

Sl. No.	Date of Meeting	No. of Directors present
1.	01.05.2017	4
2.	13.05.2017	4
3.	25.05.2017	4
4.	12.06.2017	6
5.	22.06.2017	4
6.	23.06.2017	4
7.	08.07.2017	4

Sl. No.	Date of Meeting	No. of Directors present
8.	19.07.2017	4
9.	04.09.2017	7
10.	11.09.2017	4
11.	25.09.2017	4
12.	30.09.2017	4
13.	23.10.2017	4
14.	14.11.2017	6
15.	07.02.2018	5
16.	15.02.2018	7

- As stipulated, the gap between two consecutive Board Meetings did not exceed One Hundred and Twenty Days.

C. Attendance at Board Meeting and Last AGM:-

During the Financial Year 2017-18, 16(Sixteen) Board Meeting were held and all the meeting of the Board were convened as per the requirements of Companies Act and other applicable laws. Director's attendance at the Board Meeting and in the last AGM is as follows:-

Name of Director(s)	No. of Board Meetings attended	Last AGM attended
Mr. Alok Kumar	16	Yes
Mr. Shashank Agarwal	16	Yes
Mr. Shalabh Agarwal	14	Yes
Ms. Tripti Gupta	14	Yes
Mr. Anil Kumar Jain	5	Yes
Mr. Sanjay Chandak	4	Yes
Mr. Vijay Kumar Jain	3	Yes
Mr. Amit Jain	3	Yes

D. Number of other Board of Directors or committees in which Director is a member or chairperson:-

Detail of other directorship in other Companies and chairmanship/membership in other Committees are as follows:-

Name of Director (s)	No. of other Directorships and Committee Memberships/Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Alok Kumar	2	-	-
Mr. Shashank Agarwal	2	2	-
Mr. Shalabh Agarwal	2	1	-
Ms. Tripti Gupta	-	2	1
Mr. Anil Kumar Jain	2	2	2
Mr. Sanjay Chandak	-	3	1
Mr. Vijay Kumar Jain	2	2	-
Mr. Amit Jain	2	1	-

E. Details of Shareholding of Directors are as under:-

The details of Shareholding of Directors in the Company are as under:-

Sl. No.	Name of Director	Shareholding
1.	Mr. Alok Kumar	894000
2.	Mr. Shashank Agarwal	710592
3.	Mr. Shalabh Agarwal	1280592
4.	Ms. Tripti Gupta	400000
5.	Mr. Anil Kumar Jain	Nil
6.	Mr. Sanjay Chandak	Nil
7.	Mr. Vijay Kumar Jain	Nil
8.	Mr. Amit Jain	Nil

F. Familiarization Programme for Directors:-

Upon appointment of new Independent Director, the Company undertakes an orientation exercise to familiarize the Director about the Company's Business operations, products, corporate objectives, financial performance, management structure, compliance etc., apart from explaining him/her about his/her role, responsibility, rights and duties. In order to familiarize the Independent Directors with the business of the Company. The details of such programmes imparted to Independent Directors are available on the Company's website: www.salasartechno.com in the tab of investors.

G. Information placed before the Board:-

All the information that is required to be made available to the Directors in terms of provisions of the listing Regulations and act, so far as applicable to the Company, is made available to the Board.

H. Details of Director(s):-

In Compliance with Regulation 36(3) of the Listing Regulations, the brief resume, expertise in specific functional areas, disclosure of relationships between directors inter se, details of other directorships, memberships in Committees of other listed companies and shareholding in the Company, of the Non-Executive Directors proposed to be appointed/re-appointed are given in the Notice convening the Seventeenth Annual General Meeting.

3. BOARD COMMITTEES

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/scope. The Board has established various committees such as Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, IPO Committee and Finance Committee.

A. Audit Committee:-

(i) Terms of Reference:-

The scope of functions and terms of references of the Audit Committee are as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management.
- d. Significant adjustments made in the financial statements arising out of audit findings.
- e. Compliance with listing and other legal requirements relating to financial statements.
- f. Disclosure of any related party transactions.
- g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly and annual financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
19. Approval of appointment of CFO or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

(ii) Composition, Name of Members and Chairman:-

The Audit Committee presently comprises of four members with three Independent Directors and One Executive Director. Mr. Anil Kumar Jain (Independent Director) is the Chairman of the Committee. All the members are financially literate and possess sound knowledge of accounts, audit, finance etc.

The following directors are the present members of the Audit Committee:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	Chairman (Independent Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mr. Shashank Agarwal	Executive Director
4.	Mr. Vijay Kumar Jain	Independent Director

(iii) Meeting and attendance:-

During the year under review, 4(Four) meetings of the Audit Committee were held on June 12, 2017, September 04, 2017, November 14, 2017 and February 07, 2018. The requisite quorum was present at all the meetings.

Chief Financial Officer is a permanent invitee of the Audit Committee Meetings and Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

B. Nomination and Remuneration Committee:

(i) Terms of Reference

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:

Role of Nomination and Remuneration Committee are:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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 of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Nomination and Remuneration Committee:-

Sl. No.	Name	Category
1.	Mr. Anil Kumar Jain	Chairman (Independent Director)
2.	Mr. Vijay Kumar Jain	Independent Director
3.	Mr. Amit Jain	Independent Director

(iii) Meeting and attendance:-

During the year under review, 3(three) meetings of the Nomination and Remuneration Committee were held on June 23, 2017, September 18, 2017 and February 07, 2018. The requisite quorum was present at all the meetings.

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

(iv) Mechanism for Evaluation of Board, Committees and Individual Directors:-

The Nomination and remuneration committee during the year has done the performance evaluation of every Director on the Board, including the Executive and Independent Directors. The criteria which was selected by the Nomination and Remuneration Committee for evaluation includes attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and providing strategic perspective. The committee also considered involvement of each director in their respective meetings and decision making thereof. The committee also take parameters such as attendance, level of engagement and contribution, independence of judgment, completion challenges and meeting the risk management compliances and due diligence, financial control, safeguarding the interest of the Company and its minority-shareholders.

The performance evaluation was carried out by the committee as per the criteria framed by it. The criteria framed by Nomination and remuneration committee were also duly adopted by the Board. The committee is also reviewed the declaration received from the independent Directors of the Company and confirmed that none of the directors become disqualified under the Companies Act, 2013, rules made thereunder and under Listing Regulations. The report on performance evaluation as prepared by the committee was submitted to the Board for adoption.

(v) Remuneration Policy and other terms of appointment Directors:

The Company has in place of remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The Managing Directors and Whole Time Directors are the Executive Directors on the board.

The Company has not paid any sitting fees to Executive Directors for any Board/Committee Meetings attended by them. All Non-Executive Directors were paid sitting fees for the Board/Committee Meeting attended by them. Apart from sitting fees they don't have any pecuniary relationship or transactions with the Company.

Details of remuneration paid/payable to Managing Directors, Whole Time Directors and all other Non-Executive Directors of the Company for the Financial Year ended 31st March, 2018 are as under:-

(Rs. In Lakh)

Sl. No	Name of the Directors	Salary	Perquisites/ Benefits	Commission/ Bonus	Sitting Fee	Total (Rs.)	Service Contracts
1.	Mr. Alok Kumar	66.00	-	-	-	66.00	Appointed as Managing Director upto 31.03.2020
2.	Mr. Shashank Agarwal	60.00	-	-	-	60.00	Appointed as Managing Director 31.03.2022
3.	Mr. Shalabh Agarwal	48.00	-	-	-	48.00	Appointed as Whole Time Director upto 31.03.2020
4.	Ms. Tripti Gupta	42.00	-	-	-	42.00	Appointed as Whole Time Director upto 31.03.2020
5.	Mr. Anil Kumar Jain	-	-	-	0.70	0.70	Appointed as Independent Director upto the AGM to be held in the year 2021

Sl. No	Name of the Directors	Salary	Perquisites/ Benefits	Commission/ Bonus	Sitting Fee	Total (Rs.)	Service Contracts
6.	Mr. Sanjay Chandak	-	-	-	0.50	0.50	Appointed as Independent Director upto the AGM to be held in the year 2021
7.	Mr. Vijay Kumar Jain	-	-	-	0.45	0.45	Appointed as Independent Director upto the AGM to be held in the year 2021
8.	Mr. Amit Jain	-	-	-	0.40	0.40	Appointed as Independent Director upto the AGM to be held in the year 2021

Disclosures as required under Schedule V of Companies Act, 2013 & SEBI (LODR) Regulations, 2015

- There are no the benefit given to the Directors except the remuneration paid to Managerial Personnel's and Non-Executive Directors are mentioned above.
- There are no notice period and severance fees to the Directors.
- There are no performance based incentives given to the directors of the Company.
- The Company has not issued any stock options during the Financial year under review.

C. Stakeholder Relationship Committee:

(i) Terms of Reference:-

The Stakeholder Relationship Committee has been constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Terms of reference, Powers & Obligations of the committee are given below:

- Redressal of shareholders'/investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015."

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Stakeholders Relationship Committee:-

Sl. No.	Name	Category
1.	Mr. Sanjay Chandak	Chairman (Independent Director)
2.	Ms. Tripti Gupta	Executive Director
3.	Mr. Shalabh Agarwal	Executive Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company.

(iii) Meeting and attendance:-

During the year under review, 1(One) meeting of the Stakeholders Relationship Committee were held on February 23, 2018. The requisite quorum was present at all the meetings.

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

D. Corporate Social Responsibility Committee:

(i) Terms of Reference:-

The Corporate Social Responsibility Committee has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013. Terms of reference, Powers & Obligations of the committee are given below:

- To formulate and to recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Scheduled VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
- Monitor the Corporate Social Responsibility policy of our Company from time to time.

(ii) Composition, Name of Members and Chairman:-

The following Directors are the present members of Corporate Social Responsibility Committee:-

Sl. No.	Name	Category
1.	Ms. Tripti Gupta	Chairman (Executive Director)
2.	Mr. Sanjay Chandak	Independent Director
3.	Mr. Shashank Agarwal	Executive Director

(iii) Meeting and attendance:-

During the year under review, 2(two) meeting of the Corporate Social Responsibility Committee were held on June 12, 2017 and February 23, 2018. The requisite quorum was present at all the meetings.

Mr. Rahul Rastogi Company Secretary acts as a secretary to the committee.

SR policy was adopted by the Board on the recommendation of CSR committee. As per rule 9 of Companies (CSR policy) Rules, 2014 the CSR policy is available on the website of the Company at www.salasartechno.com under the tab of investor.

4. SUBSIDIARY COMPANIES

As on March 31, 2018 the Company has 1 unlisted wholly owned Subsidiary Company. The Company does not have any foreign subsidiary.

The Audit committee reviews the Financial Statements of the unlisted wholly owned Subsidiary Company and the investment made by its unlisted owned Subsidiary Company.

The minutes of the Board meetings along with a report on significant developments of the unlisted wholly owned Subsidiary Company are periodically placed before the Board of Directors of the Company.

The wholly owned subsidiary company is the material subsidiary of your company. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website: www.salsartechno.com under the tab of investors.

5. GENERAL BODY MEETINGS

a) Details of last three Annual general Meetings and Special Resolutions passed therein:

Meeting	Date	Venue of AGM	Time	Special Resolution passed
14 th AGM	29 th September, 2015	F-24, 1 st Floor, Gali No. 10, Parwana Road, Jagatpuri, Delhi- 110051	02:00 P.M.	No Special Resolution passed
15 th AGM	30 th September, 2016	C-211, II nd Floor, C-Block, Narwana Apartment, I.P. Extn. Patparganj, Delhi-110092	05:00 p.m.	No Special Resolution passed
16 th AGM	19 th July, 2017	E-20, South Extension, New Delhi- 110049	10:00 a.m.	No Special Resolution passed

b) Resolution passed through Postal Ballot

During the Financial year 2017-18, the Company has not passed any resolution by way of postal ballot.

Further, none of the business proposed to be transacted at the ensuing AGM require passing Special Resolution through postal ballot.

6. Means of Communication

The Company from time to time and as may be required, communicates with its investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, the Annual Reports, Press Releases and uploading relevant information on its website.

The Company is publishing quarterly unaudited/ annual audited financial results, notice, advertisement and other official news in the "Business Standard" and "Economic Times" (Vernacular language) regularly. The results have also displayed/uploaded on the Company's Website: www.salasartechno.com

7. GENERAL SHAREHOLDER INFORMATION

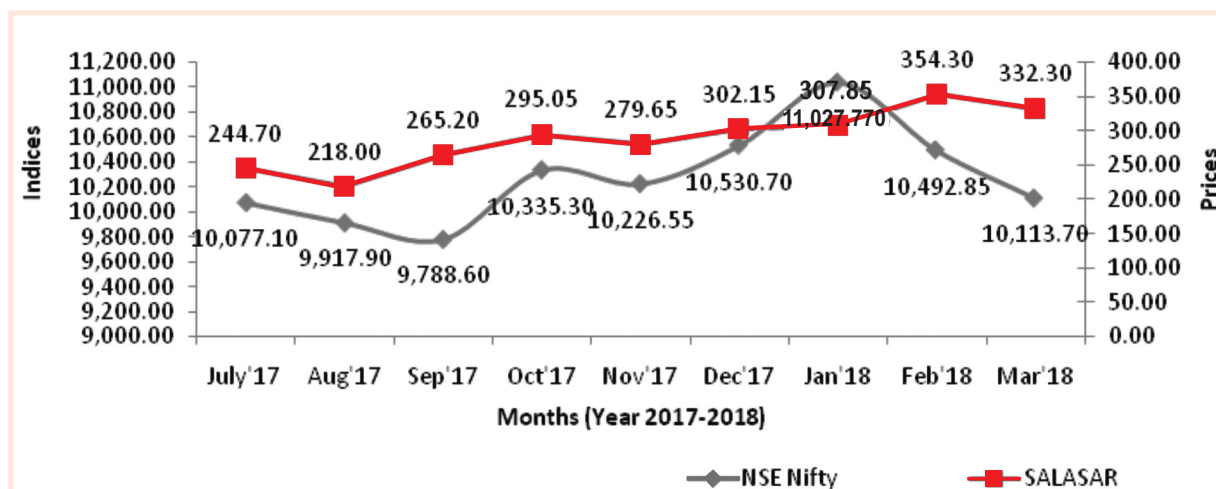
a) AGM Date, time and venue	28 th September 2018, at 10:00 a.m. at J. P. Resort, 6B, Patparganj I.P Extension, NH-24, Behind CNG Petrol Pump, New Delhi- 110092
b) Financial Year	01 st April, 2017- 31 st March, 2018
c) Financial Calendar (Tentative Schedule): First Quarter Results Second Quarter Results Third Quarter Results Results for the year ending March 2019	By Second week of August 2018 By Second week of November 2018 By Second week of February 2019 By the end of May 2019
d) Book Closure Date	The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of 17 th AGM and for payment of Dividend for the Financial Year 2017-18
e) Dividend Payment Date	The Dividend if declared at Annual General Meeting shall be paid within 30 days from the date of AGM i.e. September 28, 2018
f) Listing on Stock Exchange	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, Bandra - Kurla Complex, Bandra(E), Mumbai- 400001 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Note: your Company has already been paid the Listing Fees to both the Stock Exchanges.
g) Stock Code: National Stock Exchange India Limited BSE Limited	SALASAR 540642

h) Market Price Data for the year 2017-18

- Salasar Share Price versus the NSE NIFTY

Month	SALASAR NSE Price Rs.			NSE NIFTY Price Rs.		
	High	Low	Closing	High	Low	Closing
July 2017	289.35	236.40	244.70	10,114.85	9,944.50	10,077.10
August 2017	262.00	198.00	218.00	10,137.85	9,685.55	9,917.90
September 2017	334.00	218.00	265.20	10,178.95	9,687.55	9,788.60
October 2017	301.00	261.15	295.05	10,384.50	9,831.05	10,335.30
November 2017	331.00	264.80	279.65	10,490.45	10,094.00	10,226.55
December 2017	315.40	264.20	302.15	10,552.40	10,033.35	10,530.70
January 2018	344.70	293.40	307.85	11,171.55	10,404.65	11,027.70
February 2018	366.65	260.10	354.30	11,117.35	10,276.30	10,492.85
March 2018	363.00	310.00	332.30	10,525.50	9,951.90	10,113.70

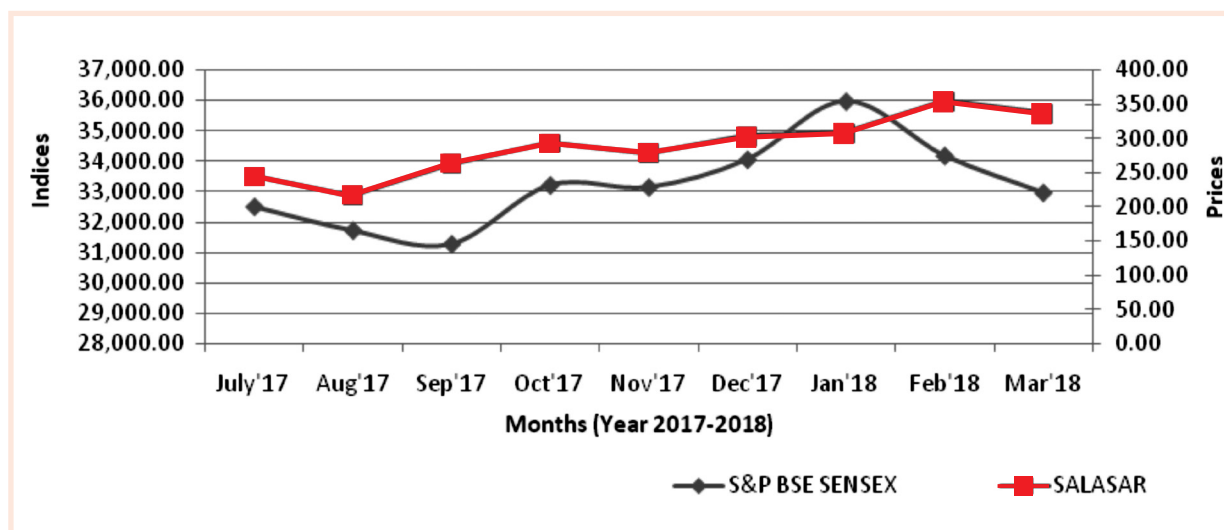
Nifty Fifty vs Salasar Chart



- Salasar Share Price versus the BSE SENSEX

Month	SALASAR BSE Price Rs.			BSE SENSEX Price Rs.		
	High	Low	Closing	High	Low	Closing
July 2017	296.00	245.05	245.05	32,672.66	31,017.11	32,514.94
August 2017	261.50	198.10	217.05	32,686.48	31,128.02	31,730.49
September 2017	333.10	218.00	264.00	32,524.11	31,081.33	31,283.72
October 2017	299.00	261.30	293.35	33,340.17	31,440.48	33,213.13
November 2017	311.50	266.00	278.65	33,865.95	32,683.59	33,149.35
December 2017	314.65	265.10	303.45	34,137.97	32,565.16	34,056.83
January 2018	344.05	291.10	308.50	36,443.98	33,703.37	35,965.02
February 2018	366.30	259.30	354.80	36,256.83	33,482.81	34,184.04
March 2018	359.80	311.00	336.65	34,278.63	32,483.84	32,968.68

Performance of Company's Equity Share's price in comparison to BSE Sensex Salasar Closing Price Vs Sensex



Note: The Equity Shares of the Company were listed w.e.f. 25th July, 2017. Therefore, disclosure of the stock market data prior to the date of listing is not applicable.

i)	Suspension from Trading	There was no suspension of Trading of equity shares of the Company ordered by BSE & NSE
j)	Registrar and Share Transfer Agents (for physical & demat shares)	BIGSHARE SERVICES PRIVATE LIMITED 4E/8, First Floor, Jhandewalan Extension, New Delhi- 110055 Tel: 011-23522373 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com
k)	Share Transfer system	Share transfer are registered and returned within a period of 15 days from the date of receipt, if the documents are complete in all respects.

L) Distribution of Equity Shareholding as on 31st March, 2018

i) Distribution of shares according to size of holding as on March 31, 2018

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	7833	90.159	8,07,119	6.075
501-1000	439	5.053	3,41,495	2.570
1001-2000	177	2.037	2,67,263	2.011
2001-3000	70	0.806	1,78,251	1.342
3001-4000	26	0.299	90,434	0.681
4001-5000	25	0.288	1,19,119	0.897
5001-10000	54	0.621	3,86,269	2.907
10001& above	64	0.737	1,10,95,314	83.526
Total	8688	100.00	1,32,85,264	100.00

ii) Categories of Shareholders as on March 31, 2018

Category	No. of Shares held	% of Shareholding
Promoter and Promoter Group	99,56,300	74.94
Clearing Members	2,76,805	2.08
Other Bodies Corporate	3,56,833	2.69
Financial Institutions/Banks	53,291	0.40
Foreign Institutional Investors	-	-
Mutual Funds	-	-
General Public	24,19,371	18.21
Non Resident Indians	1,12,899	0.85
Trusts	10,125	0.08
Foreign Portfolio Investors	99,640	0.75
m) Dematerialization of Shareholding and liquidity	As on March 31, 2018, 5 Equity Shares of the Company (0.000037% of total issued Equity Capital) were held in physical form and 1,32,85,259 Equity Shares (99.99999% of total Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors.	

n) Dividend	The Board of Directors at their meeting held on May 22, 2018, recommend Dividend payout, subject to the approval of shareholders at the ensuing Annual Genral Meeting of Rs. 1/- per share (10%) of face value of Rs. 10/- each, on equity shares of the Company for whole of the Financial year 2017-18. The Dividend will be paid to those members whose names appear as beneficial Owners as per the details to be furnished by National Securities Depositories limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on September 21, 2018. The Dividend if declared at the AGM shall be paid within 30 days from the date of AGM i.e. September 28, 2018
o) Outstanding GDRs/ADRs/Warrants or any convertible instruments	Not Applicable
p) Commodity price risk or foreign exchange risk	Nil
q) Plant locations	Unit-I Khasra No. 265, 281-283, Vill- Parsaun-Dasna, P.O.- Jindal Nagar, DisttHapur- 201313 (U.P.) Unit-II Khasra No. 1184, 1185, Vill-Khera, P.O. Pilkhuwa, Teshil Dhaulana, Distt. Hapur- 245304 (U.P.)
r) Address for correspondence	Registrar & Share Transfer Agent (For Dematerialization and Share Transfer related query) BIGSHARE SERVICES PRIVATE LIMITED 4E/8, First Floor, Jhandewalan Extension, New Delhi- 110055 Tel: 011-23522373 Email id: bssdelhi@bigshareonline.com Website: www.bigshareonline.com Company (For Annual Report and any other related matters) Company Secretary, Salasar Techno Engineering Limited E-20, South Extension, New Delhi-110049

8. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository limited (NSDL) and Central Depository Services (India) limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The Audit confirms that the total listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

9. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following Independent Directors:-

- i. Mr. Anil Kumar Jain
- ii. Mr. Sanjay Chandak
- iii. Mr .Vijay Kumar Jain
- iv. Mr. Amit Jain

Meeting of Independent Directors

As required by the code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a meeting of the Independent Directors of the Company was convened on 23rd February, 2018 to overlook and review the performance of Non Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

10. Management Discussion and Analysis

A separate chapter on Management Discussion and Analysis is given in this Annual report.

11. Adoption of Requirements as specified in Part E of Schedule II

As specified in Part E of Schedule II of SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 following requirement has been adopted by the Company:

- i. The Internal Auditor may report directly to the Audit Committee
- ii. Submission of Financial Statements with Unmodified Audit Opinion.

12. CEO/CFO certification

Mr. Alok Kumar, Managing Director, Mr. Shashank Agarwal, Jt. Managing Director and Mr. Kamlesh Kumar Sharma, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

13. Compliance Certification

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

14. CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. www.salasartechno.com

15. DISCLOSURE

a) Non-Compliance by the Company, penalties and strictures imposed, if any,-

There have been no instances of non-compliance with any of the legal provisions of law made by the Company nor any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.

b) Vigil Mechanism/Whistle Blower Policy-

The Company has in place of vigil mechanism and whistle blower policy under which employees can report any violations of applicable laws and regulations and the code of conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.

c) Compliance with Governance framework-

The Company has complied with all the mandatory requirements under the SEBI (LODR) Regulations, 2015 of Listing Regulations.

d) Disclosure of Transactions with Related Parties-

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, during the Financial Year were in the ordinary course of Business and on arm's length basis. There have been no materially significant related party transactions i.e. transactions of the Company material nature, with its promoters, the Directors or the management or relative etc. which may have potential conflict with the interest of the Company at large.

The Company has in place policy for Related Party Transaction and the same is place on the Company's Website i.e. www.salasartechno.com under the tab of Investors.

e) Commodity Price Risk and Commodity hedging activities-

Presently, the Company is not dealing in commodities and commodity hedging activities. So, information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.

f) Disclosure with respect to demat suspense account/ unclaimed suspense account-

The Company does not have any shares in demat suspense account/ unclaimed suspense account.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018
Place: New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Salasar Techno Engineering Limited
E-20, South Extension
New Delhi- 110049**

We have examined the compliance of conditions of Corporate Governance by Salasar Techno Engineering Ltd. for the financial year ended on 31st March, 2018 as stipulated in Regulation 27(1) & (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49 of the Listing Agreement).

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

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

For Deepika Madhwal & Associates
Company Secretaries
(C. P. No. - 14808)
Deepika Gaur
Proprietor
Membership No. – 31234

Place : Ghaziabad
Date : 14th August, 2018

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all Board Members and Senior Management personnel have affirmed compliance with Salasar Techno Engineering Limited code of business conduct and ethics for the year ended March 31, 2018.

For Salasar techno Engineering Limited

Date : 14.08.2018

Place: New Delhi

Alok Kumar

Chairman and Managing Director

DIN: 01474484

CEO/CFO CERTIFICATION-FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

We, Alok Kumar, Managing Director, Shashank Agarwal, Jt. Managing Director & Kamlesh Kumar Sharma, Chief Financial Officer of Salasar techno Engineering Limited hereby certify that :-

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we state that:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintain internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicating to the Auditors and the Audit Committee:
 - i) significant changes, if any, in internal control over financial reporting during the year.
 - ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instance of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Salasar Techno Engineering Limited

(Alok Kumar)
Managing Director
DIN: 01474484

(Shashank Agarwal)
Jt. Managing Director
DIN: 00316141

(Kamlesh Kumar Sharma)
Chief Financial Officer
PAN: CRCPK2954A

ANNEXURE- 'C'

Details of Subsidiaries as per AOC-1:

(Rs. In Lakh)

1	Name of the subsidiary	Salasar Stainless Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4	Share capital	49,9,90,000
5	Reserves & surplus	2,481.33
6	Total assets	5,094.50
7	Total Liabilities	5,094.50
8	Investments	--
9	Turnover	3,633.88
10	Profit before taxation	923.07
11	Provision for taxation	221.07
12	Profit after taxation	702.00
13	Proposed Dividend	NIL
14	% of shareholding	100

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018

Place: New Delhi

ANNEXURE-C1

Details of Joint Venture as per AOC-1:

(Rs. In Lakh)

1	Name of the Joint venture	Sikka-Salasar-JV
2	Reporting period for the Joint Venture- Latest Audited Balance sheet date	31.03.2018
3	Shares of the Joint Venture held by the Company	Nil
	Number	-
	Amount	0.49
	Extent of % of holding	49%
4	Reserves & surplus	(120.87)
5	Total assets	1,434.66
6	Total Liabilities	1,434.66
7	Investments	Nil
8	Turnover	1,366.70
9	Profit before taxation	(120.87)
10	Provision for taxation	Nil
11	Profit after taxation	(120.87)
12	Proposed Dividend	Nil

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018

Place: New Delhi

ANNEXURE- 'D'

**FORM NO. 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST 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
Salasar Techno Engineering Limited
CIN: L23201DL2001PLC174076
E- 20, South Extension- I
New Delhi- 110049

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practiced by **Salasar Techno Engineering Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31 March 2018 ("Audit Period") 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 maintained by the Company for the audit period ended on 31 March 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period under review);
 - 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 under review);
 - 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 under review);

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period under review); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period under review);

Other laws applicable specifically to the Company, namely:

- a. Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.
- b. Acts prescribed under Environmental Protection
- c. Acts as prescribed under Direct Tax and Indirect Tax
- d. Labour Welfare Act of respective States
- e. Laws prescribed under Trademarks, Copyright and Patent Acts
- f. Local Laws as applicable to various offices and plants
- g. Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
- h. Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975
- i. Environment Protection Act, 1986 and the rules, notifications issued thereunder.
- j. Factories Act, 1948 and allied State Laws.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately 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, as represented by the management, were taken unanimously.

We further report that based on review of compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion 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 as per the requirements of Companies Act, 2013 and applicable rules and regulations/guidelines, the Company has formulated and adopted various policies including:-

- a. Corporate Social Responsibility policy;
- b. Code of conduct for Board of Directors and senior management;
- c. Dividend Distribution Policy
- d. Criteria for making payment to Non-Executive Directors;
- e. Policy on materiality of Related party Transactions and on dealing with Related party Transactions;

- f. Policy for determining material subsidiaries;
 - g. Role of Independent Directors and terms & conditions for their appointment;
 - h. Vigil Mechanism/Whistle Blower policy;
- and have placed them on the website of the Company wherever needed.

We further report that during the audit period the Equity Shares of the Company has been listed on Bombay Stock Exchange and National Stock Exchange on 25th July, 2017 by way of Public Issue of 13285264 Equity Shares (comprising of fresh issue of 3328964 Equity Shares) and the same was allotted at an issue price of INR 108 per share to the respective applicant in various categories. The applicable provisions of Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 have been duly complied with.

For **Deepkia Madhwal & Associates**

Deepika Gaur
(Proprietor)

Membership No. 31234
C.P. No. 14808

Place: Ghaziabad
Date : 14.08.2018

Annexure- A

[Annexure to the Secretarial Audit Report of Salasar Techno Engineering Limited for the Financial Year ended 31st march, 2018]

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 not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to verification of procedure on test basis.
5. Wherever required, we have obtained the management representation about the Compliance of Laws, rules and regulations and happening of events etc.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted affairs of the Company.

For **Deepkia Madhwal & Associates**

Deepika Gaur
(Proprietor)

Membership No. 31234
C.P. No. 14808

Place: Ghaziabad
Date : 14.08.2018

ANNEXURE- 'E'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Company Name	Salasar Techno Engineering Limited
CIN	L23201DL2001PLC174076
DOI	24 th October 2001
Category/Sub Category of the Company	Public Company Limited by shares
Address of Registered Office and contact details	E-20, South Extension I, New Delhi-110049 Email: compliance@salasartechno.com towers@salasartechno.com PH: 0120-6546670 Website: www.salasartechno.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Big Share Services Pvt Ltd 4 E/8, First Floor, Jhandewalan Extension, New Delhi -110055, Tel. No +91 01123522373

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SN	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing and trading in Steel items	25112	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIE

SI No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Salasar Stainless limited.	U27205DL2010PLC201399	Wholly owned Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2017]				No. of Shares held at the end of the year[As on 31 st March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	5165000	5165000	51.876	5165000	-	5165000	38.877	(12.999%)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2017]				No. of Shares held at the end of the year[As on 31 st March, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp.	-	4791300	4791300	48.123	4791300	-	4791300	36.065	(12.058%)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	9956300	9956300	100.00	9956300	-	9956300	74.942	(25.058%)
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	-	9956300	9956300	100.00	9956300	-	9956300	74.942	(25.058%)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	53291	-	53291	0.401	0.401%
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	99640	-	99640	0.75	0.75%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	152931	-	152931	1.151	1.151%
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	356833	-	356833	2.686	2.686%
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	-	-	-	-	2109070	5	2109075	15.875	15.875%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	310296	-	310296	2.336	2.336%

c) Others (HUF)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	112899	-	112899	0.85	0.85%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	276805	-	276805	2.083	2.084
Trusts	-	-	-	-	10125	-	10125	0.076	0.076%
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	3176033	-	3176033	23.906	23.906%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	3328964	-	3328964	25.057	25.058%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	9956300	9956300	100%	13285259	5	13285264	100%	-

ii) Shareholding of Promoter-

(A) PROMOTERS

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2017			Shareholding at the end of the year i.e. 31.03.2018			% change in shareholding during the year
		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	
1	Mr. Alok Kumar	894000	8.98	-	894000	6.729	-	(2.251%)
2	Mr. Shalabh Agarwal	1280592	12.86	-	1280592	9.639	-	(3.62%)
3	Mr. Gyanendra Kumar Agarwal	293816	2.95	-	293816	2.212	-	(0.738%)
4	Ms. Tripti Gupta	400000	4.02	-	400000	3.011	-	(1.009%)

(B) PROMOTER GROUP (RELATIVES & ASSOCIATES)

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2017			Shareholding at the end of the year i.e. 31.03.2018			% change in shareholding during the year
		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	
1.	Alok Kumar HUF	20000	0.201	-	20000	0.150	-	(0.051%)
2.	Mrs. Kamlesh Gupta	500000	5.022	-	500000	3.764	-	(1.258%)
3.	Mr. Shashank Agarwal	710592	7.137	-	710592	5.349	-	(1.788%)
4.	Mrs. Taru Agarwal	8000	0.080	-	8000	0.060	-	(0.02%)
5.	Mrs. Mithilesh Agarwal	204000	2.049	-	204000	1.536	-	(0.513%)
6.	Mrs. Anshu Agarwal	578000	5.805	-	578000	4.351	-	(1.454%)
7.	Mr. Shikhar Gupta	276000	2.772	-	276000	2.077	-	(0.695%)
8.	Hill View Infrabuild Limited	2874300	28.87	-	2874300	21.635	-	(7.235%)

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2017			Shareholding at the end of the year i.e. 31.03.2018			% change in shareholding during the year
		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	
9.	Base Engineering Private Limited	466000	4.680	-	466000	3.508	-	(1.172%)
10	More Engineering Private Limited	466000	4.680	-	466000	3.508	-	(1.172%)
11.	Shikhar Fabtech Private Limited	985000	9.893	-	985000	7.414	-	(2.479%)

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Alok Kumar				
	At the beginning of the year	894000	8.98	894000	8.98
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(2.251)
	At the end of the year	-	-	894000	6.729
2	Mr. Shalabh Agarwal				
	At the beginning of the year	1280592	12.86	1280592	12.86
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(3.221)
	At the end of the year	-	-	1280592	9.639
3	Mr. Gyanendra Kumar Agarwal				
	At the beginning of the year	293816	2.95	293816	2.95
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(0.734)
	At the end of the year	-	-	293816	2.216
4	Ms. Tripti Gupta				
	At the beginning of the year	400000	4.02	400000	4.02
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.009)
	At the end of the year	-	-	400000	3.011
5	Alok Kumar HUF				
	At the beginning of the year	20000	0.201	20000	0.201
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(0.050)
	At the end of the year	-	-	20000	0.1505
6	Mrs. Kamlesh Gupta				
	At the beginning of the year	500000	5.022	500000	5.022
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.258)
	At the end of the year	-	-	500000	3.764
7	Mr. Shashank Agarwal				
	At the beginning of the year	710592	7.137	710592	7.137
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.788)
	At the end of the year	-	-	710592	5.349

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	Mrs. Taru Agarwal				
	At the beginning of the year	8000	0.08	8000	0.08
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(0.02)
	At the end of the year	-	-	8000	0.06
9	Mrs. Mithilesh Agarwal				
	At the beginning of the year	204000	2.049	204000	2.049
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(0.513)
	At the end of the year	-	-	204000	1.536
10	Mrs. Anshu Agarwal				
	At the beginning of the year	578000	5.805	578000	5.805
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.454)
	At the end of the year	-	-	578000	4.351
11	Mr. Shikhar Gupta				
	At the beginning of the year	276000	2.772	276000	2.772
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(0.645)
	At the end of the year	-	-	276000	2.077
12	Hill View Infra Build Limited				
	At the beginning of the year	2874300	28.87	2874300	28.87
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(7.235)
	At the end of the year	-	-	2874300	21.635
13	Base Engineering Private Limited				
	At the beginning of the year	466000	4.68	466000	4.68
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.172)
	At the end of the year	-	-	466000	3.508
14	More Engineering Private Limited				
	At the beginning of the year	466000	4.68	466000	4.68
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.172)
	At the end of the year	-	-	466000	3.508
15	Shikhar Fabtech Private Limited				
	At the beginning of the year	985000	9.893	985000	9.893
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(2.479)
	At the end of the year	-	-	985000	7.414

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Edelwiss Custodial Services Limited				
	At the beginning of the year	-	-	72,011	0.54%
	At the end of the year	-	-	72,011	0.54%
2	J M Financial Services Limited				
	At the beginning of the year	-	-	68,191	0.51%
	At the end of the year	-	-	68,191	0.51%
3	Suresh Bhatia				
	At the beginning of the year	-	-	60,656	0.44%
	At the end of the year	-	-	60,656	0.44%
4	ICICI Bank Limited				
	At the beginning of the year	-	-	52,491	0.39%
	At the end of the year	-	-	52,491	0.39%
5	Nilgiri Marketing Private Limited				
	At the beginning of the year	-	-	50,000	0.38%
	At the end of the year	-	-	50,000	0.38%
6	IL & FS Securities Services Limited				
	At the beginning of the year	-	-	47,959	0.36%
	At the end of the year	-	-	47,959	0.36%
7	Sachin Kasera				
	At the beginning of the year	-	-	40,000	0.30%
	At the end of the year	-	-	40,000	0.30%
8	Elara India Opportunities Fund Limited				
	At the beginning of the year	-	-	35,000	0.26%
	At the end of the year	-	-	35,000	0.26%
9.	World Investment Opportunities Fund				
	At the beginning of the year	-	-	31,940	0.24%
	At the end of the year	-	-	31,940	0.24%
10.	Nidhi Biyani				
	At the beginning of the year	-	-	30092	0.23%
	At the end of the year	-	-	30092	0.23%

v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Alok Kumar				
	At the beginning of the year	894000	8.98	894000	8.98
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(2.251)
	At the end of the year	-	-	894000	6.729

SN	Name of Promoter	Shareholding at the beginning of the year i.e. 01.04.2017		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	Mr. Shalabh Agarwal				
	At the beginning of the year	1280592	12.86	1280592	12.86
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(3.221)
	At the end of the year	-	-	1280592	9.639
3	Mr. Shashank Agarwal				
	At the beginning of the year	710592	7.137	710592	7.137
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.788)
	At the end of the year	-	-	710592	5.349
4	Ms. Tripti Gupta				
	At the beginning of the year	400000	4.02	400000	4.02
	% of shareholding decrease due to issue of shares in IPO	-	-	-	(1.009)
	At the end of the year	-	-	400000	3.011

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year			-	
i) Principal Amount	5,188.80	201.13	-	5,389.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5,188.80	201.13	-	5,389.93
Change in Indebtedness during the financial year				
* Addition	4,355.25	744.38		5,099.63
* Reduction	-	-	-	-
Net Change	4,355.25	744.38	-	5,099.63
Indebtedness at the end of the financial year				
i) Principal Amount	9,544.05	945.51		10,489.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.44	-	-	9.44
Total (i+ii+iii)	9,553.49	945.51		10,499.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In Lakh)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. Alok Kumar (Managing Director)	Mr. Shashank Agarwal (Jt. Managing Director)	Mr. Shalabh Agarwal (Whole time Director)	Ms. Tripti Gupta (Whole time Director)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66.00	60.00	48.00	42.00	216.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	66.00	60.00	48.00	42.00	216.00
Ceiling as per the act		Rs. 280.84 Lakh (10% of profit as per u/s 198)				

B. Remuneration to other directors

(Rs. In Lakh)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Anil Kumar Jain	Sanjay Chandak	Vijay Kumar Jain	Amit Jain	
1	Independent Directors					
	Fee for attending board committee meetings	0.70	0.50	0.45	0.40	2.05
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	0.70	0.50	0.45	0.40	2.05
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	0.70	0.50	0.45	0.40	2.05
	Overall Ceiling as per the Act	Only Sitting fees paid to Non-Executive Independent Directors				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/Manager/WTd.

(Rs. In Lakh)

SN	Particulars of Remuneration	Key Managerial Personnel			
		Bavneet Kaur (CS)	Rahul Rastogi (CS)	Kamlesh Kumar Sharma (CFO)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.62	2.68	9.6	13.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	1.62	2.68	9.6	13.90

IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018
Place: New Delhi

ANNEXURE- 'F'
DETAILS OF REMUENRATION

[Details pertaining to remuneration as required under section 197(12) read with rule 5(1) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-18 are as under:

Sr. No.	Name of Director/ KMP	Designation	Remuneration of Director/KMP for the Financial Year 2017-18 (Rs. In Lakh)	% increase in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director to median remuneration
A	B	C	D	E	F
1.	Mr. Alok Kumar	Managing Director	66.00	230.00%	58.93%
2.	Mr. Shashank Agarwal	Jt. Managing Director	60.00	*i 700.00%	53.57%
3.	Mr. Shalabh Agarwal	Whole Time Director	48.00	200.00%	42.86%
4.	Ms. Tripti Gupta	Whole Time Director	42.00	191.667%	37.5%
5.	Mr. Anil Kumar Jain	Independent Director	0.70	*ii NA	NA
6.	Mr. Sanjay Chandak	Independent Director	0.50	*ii NA	NA
7.	Mr. Vijay Kumar Jain	Independent Director	0.45	*ii NA	NA
8.	Mr. Amit Jain	Independent Director	0.40	*iii NA	NA
9.	Mr. Kamlesh Kumar Sharma	Chief Financial Officer	9.6	60%	8.57
10.	Mr. Rahul Rastogi	Company Secretary	2.68	*iv NA	2.39

- (i) Mr. Shashank Agarwal join the Board as Managing Director on 03rd August 2016
- (ii) Mr. Anil Kumar Jain, Mr. Vijay Kumar Jain and Mr. Sanjay Chandak join the Board as Independent Director on 19th January, 2017 as they not received any sitting fess in the Financial Year 2016-17
- (iii) Mr. Amit Jain join the Board as Independent Director on 23rd June, 2017 as he is not received any sitting fess in the Financial Year 2016-17
- (iv) Mr. Rahul appoint as Company Secretary on 30th September 2017 as he is not received any remuneration in the Financial Year 2016-17

1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.12 Lakh per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the column F of table I given above.

Independent Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as Not Applicable. The percentage increase in their remuneration is based on their attendance in the Board and Committee Meetings held during the financial year.

2. Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:

Details provided in the column E of table I given above.

3. The percentage increase in the median remuneration of Employees in the Financial Year 2016-17:

The median remuneration of employees of the Company during the Financial Year was Rs. 1.12 Lakh per annum as compare to previous year where the median remuneration of employee was Rs. 0.4869 Lakh per annum.

Hence there is increase of 130.27% in the median remuneration of employees as compared to previous financial year 2016-17.

4. The number of permanent Employees on the rolls of the Company as on March 31, 2018:

The number of permanent Employees on the rolls of the Company as on March 31, 2018 was 741.

5. 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:

There is increase of 33.128% in average salary of employees other than the managerial personnel during the financial year as compared to previous year. Increase in average salary of managerial personnel during the financial year as compared to previous year was 271.134%. The increase in the remuneration of employees and Managerial Remuneration was keeping in view the limits as laid down in the Companies Act, 2013 read with relevant rules.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

Particulars of employees

[Statement as per provisions of sec 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.]

(a) Name of top ten employees in terms of salary drawn are mentioned below:

S. No.	Employee Name	Designation, Nature of employment	Educational Qualification	Age (in Years)	Experience (in years)	Date of Joining	Remuneration p.a. (Rs. In Lakh)	Previous Employer	Equity Shares Held
1.	Mr. Alok Kumar	Managing Director	B.Sc from Punjab University, Chandigarh	63	42	-	66.00	-	894000
2.	Mr. Shashank Agarwal	Jt. Managing Director	B.E. (Mech.) from MIT, Manipal	50	12	Since 2006	60.00	-	710592
3.	Mr. Shalabh Agarwal	Whole Time Director	B.tech from MIT, Manipal	45	12	Since 2006	48.00	-	1280592
4.	Ms. Tripti Gupta	Whole Time Director	Commerce Graduate from Shri Ram College of Commerce, Delhi and MBA in Finance from IMT, Nagpur	34	7	Since 2014	42.00	-	400000
5.	*i) Mrs. Anshu Agarwal	Manager	M.A (Eng)	46	9	Since 2009	18.00	-	578000
6.	*ii) Mrs. Taru Agarwal	Manager	B.A.	44	9	Since 2009	18.00	-	204000
7.	Mr. R. D. Singh	General Manager	Diploma in Mechanical	58	32	4.01.2012	12.84	R. S. Infra Private Ltd.	Nil
8.	Mr. Anurag Pandey	Manager	M.sc Electrical	38	16	10.10.2015	11.78	SMEC India Pvt. Ltd.	Nil
9.	Mr. Kamlesh Kumar Sharma	Chief Financial Officer	B.Com, Chartered Accountant	34	6	2.12.2013	9.6	Supreme Alloys Limited	100
10.	Mr. Sandesh Krishna Chavan	Business Head	B.E.	46	22	20.09.2017	7.5	Vaishnav, Mumbai	Nil

* i) Mrs. Anshu Agarwal is wife of Mr. Shashank Agarwal

* ii) Mrs. Taru Agarwal is wife of Mr. Shalabh Agarwal

(b) Employees employed for part of the year and in receipt of Rs. 8.5 Lakhs or more a month:

None of the employee was in receipt of remuneration amounting to Rs. 8.5 Lakhs per month or more for part of the year.

- c) There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or wholtime director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

ANNEXURE- 'G'

NOMINATION AND REMUNERATION POLICY

Salasar Techno Engineering Limited considers human resources as its invaluable assets. The Nomination and Remuneration Committee of the Company formulated "Nomination and Remuneration Policy" of Directors, Key Managerial Personnel (KMPs) and other employees as per the provisions of the Companies Act, 2013 and the listing agreement.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an independent Director.

OBJECTIVE

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP's, and other employees. The Key objectives of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, executive directors key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in one level below the key managerial personnel in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Analyzing, monitoring and reviewing various human resource and compensation matters;
6. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
7. Determining compensation levels payable to the key managerial personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
9. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2014; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

- i. Chief Executive Officer or the Managing Director or the Manager;
- ii. Whole-time director;
- iii. Chief Financial Officer;
- iv. Company Secretary; and
- v. such other officer as may be prescribed.

"Senior Management" means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

1. General

- a) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his /her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Director of Salasar Techno Engineering Limited.

2. TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed company or such other number as may be prescribed under the Act.

3. Evaluation of performance

The Committee will make recommendations to the Board on appropriate performance criteria for the Directors. Also it will formulate the criteria and framework for evaluation of performance of every director on the Board of the Company, Senior Management Personnel at regular intervals (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY ON REMUNERATION OF DIRECTORS, KMP'S AND SENIOR MANAGEMENT

1. Remuneration of Managing Director/Whole-time Director, KMP and Senior Managerial Personnel

The Remuneration/ Compensation/ Commission etc. to Directors will be determined by the committee and recommended to the Board for approval. The Remuneration/ Compensation/ Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

DUTIES OF COMMITTEE RELATING TO NOMINATION

The duties of the Committee in relation to nomination matters include:

- i. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- ii. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- iii. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- iv. Determining the appropriate size, diversity and composition of the Board;
- v. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- vi. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- vii. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service Contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and
- xi. Considering any other matters, as may be requested by the Board.

DUTIES OF COMMITTEE RELATING TO REMUNERATION

Duties of the Committee in relation to remuneration matters include:

- i. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- ii. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- iii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- iv. to consider any other matters as may be requested by the Board.
- v. Professional indemnity and liability insurance for Directors and senior management.

REVIEW

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

ANNEXURE- 'H'

Annual Report of CSR Activities for Financial Year 2017-18

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	<p>The company has framed the corporate social responsibility (CSR) policy which encompasses its philosophy for delivering its responsibility as citizen and laid down process, guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.</p> <p>Role of CSR Committee:</p> <p>(a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;</p> <p>(b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a financial year;</p> <p>(c) To monitor the Corporate Social Responsibility of the Company from time to time;</p> <p>(d) Any matter/ thing may be considered expedient by the members in furtherance of and to comply with the CSR policy of the Company.</p>
		<p>The CSR Activities covered the following area as per CSR policy of the Company:</p> <ol style="list-style-type: none"> 1. Eradicating hunger, poverty and malnutrition; 2. Promoting preventive health care and making available safe drinking water; 3. Promotion of Education. <p>CSR policy is stated at the website of the Company: www.salasartechno.com</p>
2.	The Composition of the CSR Committee	<p>CSR Committee consists of following members:</p> <ol style="list-style-type: none"> 1. Ms. Tripti Gupta – Whole Time Director & Chairman 2. Mr. Sanjay Chandak - Independent Director – Member 3. Mr. Shashank Agarwal - Jt. Managing Director – Member
3.	Average net profit of the company for last three Financial Years	Rs. 1797.12 Lakh
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	Rs. 35.94 Lakh

5. Details of CSR spent during the financial year.
- (a) Total amount to be spent for the financial year: Rs. 48.46 Lakh.
- (b) Amount unspent, if any: Nil.

(c) Manner in which the amount spent during the financial year is detailed below.

(Rs. in Lakh)

SI no	CSR project or activity identified	Sector in which The Project Is covered	Projects or programs (1) Local area or other (2) Specify the State and District where the projects or programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs Sub-heads: (1) direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: direct or through implementing agencies
1.	MIW Foundation	Health and Family Welfare	New Delhi	19.50	19.50	19.50	Direct
2.	Vardan Seva Sansthan	Health and Family Welfare	Raj Nagar, Ghaziabad (UP)	5.00	5.00	5.00	Direct
3.	Aancahal Nyas	Promotion of Education	Hapur (UP)	2.35	2.35	2.35	Direct
4.	Kartavya Janhit Foundation NGO	Promotion of Education	PashimVihar, Delhi	11.00	11.00	11.00	Direct
5.	H. R. Education & Charitable foundation	Promotion of Education	Prashant Vihar, Delhi	10.00	10.00	10.00	Direct
6.	Sewa Bharti	Eradicating hunger and poverty	Goal Market, New Delhi	0.51	0.51	0.51	Direct
7.	Prabuddha Tathaagat Foundation	Eradicating hunger and poverty	Lalburra (M.P.)	0.10	0.10	0.10	Direct
TOTAL				48.46	48.46	48.46	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: N.A.
7. We hereby declare that the CSR committee has formulated proper implementation and monitoring which is compliance with the CSR objective and policy of the Company.

**For and on behalf of the Board of Directors
For Salasar Techno Engineering Limited**

Sd/-
Alok Kumar
Chairman and Managing Director
DIN NO. 01474484
KL-46, Kavi Nagar
Ghaziabad-201001
Uttar Pradesh

Sd/-
Shashank Agarwal
Jt. Managing Director
DIN:00316141
B-166, Sector-50
GautamBudh Nagar
Noida 201301 UP

Date : 14.08.2018
Place: New Delhi

ANNEXURE- 'I'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

Global Economic

Global economic activity continues to firm up. Global output is estimated to have grown by 3.7 percent in 2017, which is 0.1 percentage point faster than projected in the fall and ½ percentage point higher than in 2016. The pickup in growth has been broad based, with notable upside surprises in Europe and Asia. Global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percentage point to 3.9 percent. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

Risks to the global growth forecast appear broadly balanced in the near term, but remain skewed to the downside over the medium term. On the upside, the cyclical rebound could prove stronger in the near term as the pickup in activity and easier financial conditions reinforce each other. On the downside, rich asset valuations and very compressed term premiums raise the possibility of a financial market correction, which could dampen growth and confidence. A possible trigger is a faster-than-expected increase in advanced economy core inflation and interest rates as demand accelerates. If global sentiment remains strong and inflation muted, then financial conditions could remain loose into the medium term, leading to a buildup of financial vulnerabilities in advanced and emerging market economies alike. Inward-looking policies, geopolitical tensions, and political uncertainty in some countries also pose downside risks.

(Source – World Economic Outlook Update January 2018)

India Economic Outlook

The Indian economy is growing strongly and remains a bright spot in the global landscape. The decline of global oil prices has boosted economic activity in India, further improved the external current account and fiscal positions, and helped lower inflation. In addition, continued fiscal consolidation, by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance have helped cement macroeconomic stability. The government has made significant progress on important economic reforms, which will support strong and sustainable growth going forward. In particular, the implementation of the goods and services tax, which has been in the making for over a decade, will help raise India's medium-term growth, as it will enhance the efficiency of production and movement of goods and services across Indian states. India's overall outlook remains positive, although growth slowed temporarily.

India remains one of the fastest growing large developing economies in the world. India has positioned itself as the most dynamic emerging economy among the largest countries and is expected to remain the fastest growing on the back of robust private consumption and significant domestic reforms gradually being implemented by the government. Challenges remain, however, and there is little scope for complacency. A key concern is the health of the banking system, which is still dealing with a large amount of bad loans, and also heightened corporate vulnerabilities in several key sectors of the economy.

Indian Telecom Sector

With a subscriber base of nearly 1,206.71 million, as of September 2017, India accounted for the 2nd largest telecom network in the world. With 431.21 million internet subscribers, as of June 2017, India stands 2nd highest in terms of total internet users. Mobile based Internet is a key component of Indian Internet usage, with 7 out of 8 users accessing internet from their mobile phones. Since 2012, the share of time spent on watching videos on mobile devices has grown by 200 hours a year. As of September 2017, urban tele-density stood at 173.15 per cent and rural tele-density at 56.71 per cent. Availability of affordable smart phones and lower rates are expected to drive growth in the Indian telecom industry.

India is in the midst of a new wave of market restructuring and many more towers are likely to come to market in the near future.

The Indian Market

State-owned MNOs. Among the latest news, BSNL has received the green light for the carve out of its 65,000 towers into a separate infrastructure unit while the other state-run MNO, MTNL, is considering divesting its 10,000-tower

portfolio in an attempt to reduce its debts. BSNL's carve out could be valued up to `20,100 crore (USD 3 billion) and analysts are excited by the potential of these towers coming to market as many are in prime locations with considerable tenancy ratio growth potential, having not been proactively marketed before.

BSNL has leased out 6,505 of its towers to other telecom operators, suggesting a tenancy ratio around 1.1x. Out of the 6,505 spaces that it has rented out, Bharti Airtel accounted for 2,251 slots. It was followed by Reliance Jio with 1,440 slots and Idea and Vodafone with just above 900 towers each. Reliance Jio has led the rollout of 4G and has opted to self-deploy as many as half the sites in their network, including constructing over 25,000 new structures, most of which are micro sites.

India Electricity Sector

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). Total installed capacity of power stations in India stood at 330,860.58 Megawatt (MW) as on December 2017. The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17. The annual growth rate in renewable energy generation has been estimated to be 27 per cent and 18 per cent for conventional energy.

The Indian solar industry has installed a total of 2,247 megawatts (MW) in the third quarter of 2017, from 1,947 MW in the second quarter of 2017. The cumulative installed capacity reached 7,149 MW in the first nine months of 2017, covering more than one-third of total new power capacity addition in 2017. Two under-construction hydro projects of NHPC in Himachal Pradesh and Jammu & Kashmir (J&K), expected to be commissioned in 2018, will produce 4,458.69 million units of additional power, according to the Ministry of Power, Government of India.

The total estimated potential of tidal energy in India is about 8,000 megawatt (MW), of which 7,000 MW is in the Gulf of Khambhat, 1,200 MW is in the Gulf of Kutch and 100 MW in the Gangetic Delta. The number of small hydro power projects set up in India stood at 1,085 with total installed capacity of 4,399.355 megawatt (MW) as of November 30, 2017. An extensive network of Transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers.

Depending upon the quantum of power and the distance involved, lines of appropriate voltages are laid. The nominal Extra High Voltage lines in vogue are ± 800 kV HVDC & 765kV, 400 kV, 230/220 kV, 110 kV and 66kV AC lines. These have been installed by all the SEBs, and by Generation, Transmission & Distribution utilities including those in Central Sector. 13,820 circuit kilometres (ckm) of transmission lines have been commissioned during 2017-18 (April-November 2017). This is 59.9% of the annual target of 23,086 ckm fixed for 2017-18. Similarly, 50,805 MVA of transformation capacity of substations has been added during 2017-18 (April-November 2017) which constitutes 94.1% of the annual target of 53,978 MVA fixed for 2017-18.

The capacity of transmission system of 220 kV and above voltage levels, in the country as on 30th November 2017 was 3,81,671 ckm of transmission lines and 7,91,570 MVA of transformation capacity of Substations. As on 30th November 2017, the total transmission capacity of the inter-regional links is 78,050 MW.

The transmission lines are operated in accordance with Regulations/standards of Central Electricity Authority (CEA) / Central Electricity Regulatory Commission (CERC) / State Electricity Regulatory Commissions (SERC). However, in certain cases, the loading on transmission lines may have to be restricted keeping in view the voltage stability, angular stability, loop flows, load flow pattern and grid security. Power surplus States have been inter-alia, able to supply their surplus power to power deficit State Utilities across the country except for some congestion in supply of power to Southern Region.

Power System Operation Corporation Limited (POSOCO), is managing the National and Regional grid from National Load Dispatch Centre (NLDC) and its five Regional Load Dispatch Centers (RLDC) through state-of-the-art unified load dispatch & communication facilities.

(Source – Ministry of Power, IBEF)

ABOUT SALASAR TECHNO ENGINEERING

Salasar Techno Engineering Ltd. incorporated in 2001 is a provider of customized steel fabrication and infrastructure solutions in India. The Company provides 360-degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment. Its products include telecommunication towers, power transmission line towers, smart lighting poles, monopoles, guard rails, substation structures, solar module mounting structures and customized galvanized & non-galvanized steel structures. Salasar Techno Engineering Limited's services include providing complete engineering, procurement and control for projects such as Rural Electrification, Power Transmission Lines, and Solar Power Plants.

The Company is among the leading manufacturers of Telecom Tower in India with more than 20,000 towers since inception. The Company has three state of the art manufacturing facility located in Hapur, Uttar Pradesh.

CONSOLIDATED FINANCIAL OVERVIEW-

The consolidated performance of the Company for the financial year ended March 31, 2018, is as follows:

Total revenue from operations at Rs. 49,474.07Lakh for the year ended March 31, 2018, as against Rs. 38,428.57 Lakh for the corresponding previous period, an increase of 28.74%, mainly on account of increase revenues across all businesses of Telecom Tower, Transmission, Solar & Poles.

The cost of Raw Materials for the financial year ended March 31, 2018 were Rs 35,538.85 Lakh as against Rs 26,668.98 Lakh for the corresponding previous period, an Increase 33.26%.

The Employee expenses for the financial year ended March 31, 2018 were Rs. 2,296.29Lakh as against Rs. 1,424.60 Lakh for the corresponding previous period, an increase of 61.19%.

The other expenses for the financial year ended March 31, 2018 were Rs. 8,138.79Lakh as against Rs 8,962.20 Lakh for the corresponding previous period, a decrease of 9.19%.

The EBIDTA (earnings before interest, depreciation and tax) was Rs. 5,401.51 Lakh for the year ended March 31, 2018, as against Rs. 3,867.30Lakh for the corresponding previous period, an increase of 39.67%.

The depreciation for the financial year ended March 31, 2018 was Rs. 386.09 Lakh, as against Rs. 328.85 Lakh for the corresponding previous period, an increase of 17.41%.

The EBIT (earnings before interest and tax) were Rs. 5,139.36 Lakh for the year ended March 31, 2018, as against Rs. 3,574.31Lakh for the corresponding previous period, an increase of 43.79%.

The interest for the financial year ended March 31, 2018 was Rs. 841.68Lakh as against Rs. 744.99Lakh for the corresponding previous period, an increase of 12.98%.

The EPS (Earning Per Share) for the financial year ended March 31, 2018 was Rs. 24.21 for a face value of Rs 10 per share, as against Rs. 18.78 for the corresponding previous period.

RESOURCES AND LIQUIDITY

As on March 31, 2018, the consolidated net worth stood at Rs. 15,899.37 Lakh and the consolidated debt was at Rs. 10,902.35 Lakh.

The cash and cash equivalents at the end of March 31, 2018 were Rs. 615.19Lakh.

The total debt to equity ratio of the Company stood at 0.69 as on March 31, 2018.

The Company has been rated 'Care BBB+' for Long Term Borrowing and 'CARE A2' for Short Term Borrowing by CARE ratings.

BUSINESS PERFORMANCE

Salasar Techno Engineering operates primarily in four verticals, viz., Telecom Tower, Transmission, EPC and Poles.

Telecom Tower Business

- We have emerged as India's preferred Tower supplier within a short time period. Our telecommunications towers and monopoles are designed as per time-tested Ramboll designs, in-house IIT certified designs, or tailored as per customer designs.

- The total revenue for the year ended March 31, 2018 was Rs 27,553.89 Lakh as against Rs 21,417.15Lakh for the corresponding previous period, an increase of 28.65%.

Transmission Business

- This vertical can further divided into – EPC business, Turnkey projects, Supplying Structures to other EPC contractors
- The total revenue for the year ended March 31, 2018 was Rs 15,507.83 Lakh as against Rs 9,845.16 Lakh for the corresponding previous period, an increase of 57.52%.

Solar Structures

- We are in line with the Indian government's focus on sustainable development through the use of the country's abundantly available Solar Energy. We have already supplied Solar Module Mounting Structures for over 1000 MW of Solar projects, throughout the country, commissioned by industry leaders such as Mahindra Susten and NEXTracker. We're dedicated towards providing our customers with the best products and creating the required infrastructure for a better world.
- The total revenue for the year ended March 31, 2018, was Rs. 3,760.67 Lakh as against Rs. 7,626.31 Lakh for the corresponding previous period

Utility Poles & Smart City Poles

- Steel Utility Poles have various commercial, industrial, as well as residential applications. Steel poles are preferred over other materials because of their durability, eco-friendliness, and ease of installation and maintenance. Salasar, with its top-class machinery and well-trained manpower, has pioneered the production of custom-made poles of the highest quality in the shortest times.
- Smart Poles play a major role in making our cities safer and more manageable. Designed to look modern and aesthetic, they are equipped with technology like LED lights, CCTV Cameras, Pollution Sensors, WiFi Routers, Distress Buttons, Road Information Display Systems, and Motion-detecting Energy Savers to make our cities smarter.
- The total revenue for the year ended March 31, 2018, was Rs. 2,213.13Lakh as against Rs. 1,302.94Lakh for the corresponding previous period, an increase of 69.83%.

RISKS AND CONCERNS –

The Company is in continuous process of strengthening its risk management framework which identifies and evaluates business risk and opportunities. The Company recognizes that risks need to be identified at the right time, managed adequately and mitigation plans needs to be prepared to protect the interest of the shareholders and stakeholders. Managing these risks actively is also a pre-requisite to achieve business objectives and enable sustainable growth of the Company. The exercise to design the risk management framework is aimed at effectively mitigating the Company's various business and operational risks. The Company is having a risk management policy for identification and assessment of risks which is monitored by the Audit Committee of the Company. The Committee closely monitors the process and suggests suitable measures to mitigate the risks. The risks may be caused due to the internal or external factor and necessary precautionary measures are taken by the Company to negate the impact of probable risk. The major risks of the Company are as follows:

Economic Risk

Company's business may be affected by interest rates, changes in Government policy, taxation and other economic developments affecting India. The Company has defined conservative internal prudential norms. The Company ensures a favorable debt/equity ratio, moderate liquidity, strong clientele with timely payment track record and focus on select markets to minimize the impact in adverse conditions. The Company has geographically diversified thereby reducing its dependency on one market.

Business & Market Risk

The risk from the competitors is in general referred to as business/ market risk. The Company is an established player in the Engineering products business and is amongst the reputed manufacturers in India. Having limited number of players in the said category, the Company believes that the risk from competition is very rare. In the Telecom tower segment, the Company is aggressively achieving market share and feels itself sustainable in the competitive market.

However, the Company does not ignore the possibility of competition from other players. The Company operates in a very dynamic way and all decisions by the management are taken considering all the possibilities.

Commodity Price Risk

Company's business is significantly dependent on availability, cost and quality of raw materials and fuels for the construction and development of projects taken. The principal raw materials include steel, zinc, diesel oil, concrete, cement, metal, ballasts, reinforcement bars, electrodes, etc. Prices and supply of these are varied due to economic conditions, competition, production levels, and import duties, etc. The Company passes on such impacts to its clients partially or completely, by adding price escalation clause in most of the contracts. In case of firm price contracts, Company tries to pass on back-to-back firm price contract to its vendor/contractor and/or also hedge itself through price discovery, wherever possible. It measures and manages these risks centrally and carries out periodic reviews of these risks at appropriate levels.

Regulatory risk

The Company recognizes that timely compliance with the ongoing frequently changing regulatory requirements can at times be challenging, and therefore will: Strive to understand the changing regulatory standards, so as to strengthen its decision-making processes and integrate these in the business strategy of each of the segments in which it operates. Drive business performance through the convergence of risk, compliance processes, and control mechanisms to ensure continued operational efficiency and effectiveness.

Liability Risk

The liquidity risk may come in the way of smooth operation of the Company due to one or the other reasons. Whenever there is blockage of funds in the hands of customers, the liquidity crunch is likely to happen. Although wholehearted support from the bankers strengthen the hands of the Company to face the liquidity risk, the company leaves no stone unturned to avoid the possibility of liquidity risk.

Execution Risk

The Company has undertaken number of projects in the last year and several more are in the pipeline. Project execution is largely dependent upon project management skills and timely delivery by equipment suppliers. Any delay in project implementation can impact revenue and profit for that period. Our implementation schedules are in line with the plans. Emergency and contingency plans are in place to prevent or minimize business interruptions. Therefore, we do not expect this risk to affect us materially in the future. Concerns like complex tax structure, infrastructure bottlenecks, retaining talent and unprecedented natural and man-made disasters and political/social turmoil which may affect our business, remain. However, these are threats faced by the entire industry. With superior methodologies and improved processes and systems, the Company is well positioned to lead a high growth path.

OPPORTUNITIES

Exponential data growth & spectral scarcity

- Additional sites needed for adequate capacity across technologies

Network upgrades & roll-out of data technology (4G)

- Addition sites to provide the adequate quality and coverage across the country. Similarly, 4G networks have just started coming up in India. New entrants like Reliance Jio are expected to push the tower industry growth.

New customer segments

- New customer segments such as Government and infrastructure are expected to emerge in the near future. The 'Digital India' initiative presents a gamut of opportunities for the telecom tower companies

Growing Demand

- Expansion in industrial activity to boost demand for electricity
- Growing population and increasing penetration and per-capita usage to provide further impetus
- Power consumption is estimated to increase from 1160.1 TWh in 2016 to 1,894.7 TWh in 2022

Increasing Investments

- Power is one of the key sectors attracting FDI inflows into India
- From April 2000 to December 2017, India recorded FDI of US\$ 6.26 billion in non-conventional energy sector. New and renewable energy sector witnessed maximum power generation capacity addition, since 2000

- Power sector accounted for 3.52 per cent of total inflows till December 2017
- Cumulative FDI inflows into the sector in April 2000–December 2017 were US\$ 12.97 billion

THREATS

- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Attraction and retention of human capital

INTERNAL CONTROL SYSTEMS AND ADEQUACY

In view of the changes in the Companies Act, the Company has taken additional measures to strengthen its internal control systems. Additional measures in this regard are fraud risk assessment, mandatory leave for employees, strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk management. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported. The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process.

Periodical audit and verification of the systems enables the various business groups to plug any shortcomings in time. As stated earlier the Company has improved effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvement in strengthening risk mitigation measures for all key operations, controls and governance process. In addition, the top management and the Audit committee of the Board periodically review the findings and ensure corrective measures are taken.

HUMAN RESOURCES

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees.

The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross-pollination of ideas, ensures high performance and remains empowering.

As on March 31, 2018, the Company had a workforce of 741 people on rolls.

OUTLOOK

Telecom - India will emerge as a leading player in the virtual world with 700 million internet users of the 4.7 billion global users by 2025, as per a Microsoft report. Internet economy expected to touch Rs 10 trillion (US\$ 155 billion) by 2018, contributing around 5 per cent to the country's GDP. With the government's favorable regulation policies and 4G services hitting the market, the Indian telecommunication sector is expected to witness fast growth in the

next few years. The Government of India also plans to auction the 5G spectrum in bands like 3,300 MHz and 3,400 MHz to promote initiatives like Internet of Things (IoT), machine-to-machine communications, instant high definition video transfer as well as its Smart Cities initiative. The Indian mobile phone industry expects that the Government of India's boost to production of battery chargers will result in setting up of 365 factories, thereby generating 800,000 jobs by 2025.

Transmission - There is an increasing trend towards the use of high voltage alternating current (HVAC) and high voltage direct current (HVDC) overhead lines to carry large amounts of electricity from generation hubs to load centers. The coming decade is expected to witness greater commercial application of these technologies. In India, apart from PGCIL's sustained and steady capex, state governments spend on transmission infrastructure is also expected to improve to meet their UDAY related milestones. Salasar Techno Engineering is expected to be a key beneficiary of this strong growth prospect both in India and overseas. Government's thrust on improving rail and energy infrastructure is also expected to result in rising capex for the sectors. The Company has been building robust team there on execution and that has been a continuous exercise. Currently, these businesses constitute a sizable share of the order book and are expected to grow significantly. In addition to above, the Company is keenly exploring opportunities in healthy BOOT projects.

Railways - The Outlook in railways is very positive, it is in limelight and rapid growth path. The Indian Government has set plans for network expansion as well as upgradation & modernization of existing infrastructure. Indian Budget on Railways had decoded ample opportunities for players like us. Some of the positive outcomes from the budget includes an increase in capital outlay, which is very positive indicator.

(Source – ibef, ministry of Power, Trai, DoT)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SALASAR TECHNO ENGINEERING LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SALASAR TECHNO ENGINEERING LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone financial statements based on our audit. In conducting 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 and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **ARUN NARESH & COMPANY**

Chartered Accountants

(FRN.: 007127N)

ARUN KUMAR JAIN

Partner

(Membership No. 084598)

New Delhi, 22 May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited 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 controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ARUN NARESH & COMPANY**

Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN

Partner
(Membership No. 084598)

New Delhi, 22 May, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year.

According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company is engaged in manufacturing in sale of Galvanized steel structure including telecom towers, transmission lines and solar panel. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no materials discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to its wholly own subsidiary and Joint Venture, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacturing of galvanized steel structure including telecom towers, transmission lines and solar panel. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and audit) rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - (c) There were no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which are required to deposit as at March 31, 2018.

- viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from government and have not issued any debentures.
- ix. The Company has raised moneys during the year amounting to Rs. 35,95,28,112/- by way of initial public offer or further public offer. The Company has not raised any term loans during the Financial Year ended on 31st March, 2018.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud 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, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **ARUN NARESH & COMPANY**

Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN

Partner
(Membership No. 084598)

New Delhi, 22 May, 2018

BALANCE SHEET AS AT 31ST MARCH 2018

(₹ in Lakh)

Particulars	Note No.	As at 31 st March, 2018	As at 31 st March, 2017	As at 01 st April, 2016
ASSETS				
Non-current Assets				
Property, Plant and Equipment	2	3,700.50	2,736.43	2,442.06
Capital Work-in-Progress	2	108.25	-	-
Financial assets				
(a) Investments	3	1,795.09	1,794.60	1,794.60
(b) Other financial asset	4	587.37	520.82	46.73
Current Assets				
Inventories	5	8,005.76	6,108.29	4,141.61
Financial Assets				
(a) Investments	6	40.59	120.55	169.61
(b) Trade Receivables	7	14,676.83	7,765.54	5,849.31
(c) Cash and Cash Equivalent	8	611.62	13.75	40.49
(d) Bank balances other than (c) above	9	843.08	564.31	165.43
(e) Other financial assets	10	932.08	1,767.41	49.27
Other current assets	11	3,151.37	1,558.43	863.72
TOTAL ASSETS		34,452.55	22,950.14	15,562.83
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	12	1,328.53	995.63	497.82
Other Equity	13	13,384.71	8,178.56	7,006.57
Liabilities				
Non-current Liabilities				
Financial Liabilities				
(a) Borrowings	14	113.97	220.86	322.25
(b) Other Financial Liabilities	15	828.65	750.71	-
Provisions	16	99.43	75.10	44.12
Deferred Tax Liabilities (Net)	17	47.45	77.48	126.87
Other Non-current Liabilities	18	147.35	231.55	-
Current Liabilities				
Financial Liabilities				
(a) Borrowings	19	10,355.77	5,156.81	3,964.89
(b) Trade Payables	20	3,107.77	3,272.83	1,513.69
(c) Other Financial Liabilities	21	20.26	12.27	162.92
Provisions	22	28.02	92.51	204.76
Other Current Liabilities	23	4,836.23	3,685.40	1,668.85
Current Tax Liability (Net)	24	154.41	200.44	50.10
TOTAL EQUITY AND LIABILITIES		34,452.55	22,950.14	15,562.83

Notes referred to above and notes attached there to form an integral part of Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain
Partner
M. No. 084598
Place: New Delhi
Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
REVENUES			
Revenue from operations	25	48,508.24	40,378.67
Other Income	26	117.54	30.82
Total Revenue		48,625.78	40,409.49
EXPENSES			
Cost of material consumed	27	34,778.61	25,946.07
Changes in inventories of finished goods, work-in-progress and others	28	(1,788.09)	(2,550.32)
Excise Duty		779.44	3,082.65
Employee benefits expenses	29	1,502.13	1,021.72
Finance Costs	30	825	578.85
Depreciation and amortization expenses	2	156.41	124.67
Other Expenses	31	8,997.22	9,633.18
Total Expenses		45,251.17	37,836.82
Profit before Exceptional Items & Taxes		3,374.61	2,572.66
Exceptional Items	32	25.62	50.83
Profit before Tax		3,400.23	2,623.49
Tax Expenses	33		
(a) Current Tax		1,170.60	1,001.00
(b) Deferred Tax		(30.97)	(48.66)
Profit for the period/year		2,260.59	1,671.15
Other Comprehensive Income (OCI)			
(A) Items that will not be classified to profit or loss		2.67	(2.08)
Remeasurements of the defined benefit plans		0.93	(0.73)
Income tax relating to items that will not be classified to profit or loss			
(B) Items that will be classified to profit or loss		-	-
Total Comprehensive Income for the year		2,262.33	1,669.80
Earning per Equity share of Rs. 10 each			
(1) Basic (in ₹)		18.47	16.78
(2) Diluted (in ₹)		18.47	16.78

Notes referred to above and notes attached there to form an integral part of Profit & Loss.
This is the Profit & Loss Statement referred to in our Report of even date.

For ARUN NARESH & CO.
Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain
Partner
M. No. 084598
Place: New Delhi
Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

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Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital (Note-12)

(₹ in Lakh)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31 st March, 2017	497.82	497.82	995.63
For the year ended 31 st March, 2018	995.63	332.90	1,328.53

B. Other Equity (Note-13)

(₹ in Lakh)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Surplus	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2016	2,882.99	-	4,119.55	-	4.04	7,006.57
Profit for the year	-	-	1,671.15			1,671.15
Other Comprehensive Income (net of tax)	-				(1.35)	(1.35)
Total Comprehensive Income for the year	-	-	1,671.15	-	(1.35)	1,669.80
Issue of Bonus Shares	(497.82)					(497.82)
Balance as at March 31, 2017	2,385.17	-	5,790.71	-	2.68	8,178.55
Profit for the period			2,260.59		1.74	2,262.33
Other Comprehensive Income (net of tax)						-
Total Comprehensive Income for the year	-	-	2,260.59	-	1.74	2,262.33
Issue of Equity Shares (net of transition cost)	3,103.72					3,103.72
Less : Interim Dividend			132.85			132.85
Less: Dividend Distribution Tax on Interim Dividend			27.05			27.05
Balance as at March 31, 2018	5,488.89	-	7,891.40	-	4.42	13,384.70

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The Board of Directors has recommended a dividend of 10 % for the financial year 2017-18, on 22 May, 2018 amounting to ₹ 1.00 per share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements.

This is the statement of changes in equity referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	3,400.23	2,623.49
Adjustment for:		
Depreciation & amortization	156.41	124.67
Loss on sale of property, plant and equipment	1.10	-
Finance costs	825.45	578.85
Provision for doubtful debts	11.94	159.97
Adjustment on account of fair valuation of assets	2.67	(2.08)
Rental income	(2.50)	
Interest income	(112.42)	(30.03)
Profit on sale of investments	(25.62)	(50.83)
Operating Profit Before Working Capital Changes	4,257.25	3,404.04
Adjustments For Working Capital		
Adjustment for (increase) / decrease in operating assets		
Inventories	(1,897.47)	(1,966.68)
Trade receivables	(6,923.23)	(2,076.20)
Other financial assets	835.33	(1,718.14)
Other current assets	(1,592.94)	(694.71)
Adjustment for increase / (decrease) in operating assets		
Trade payables	(165.05)	1,759.14
Other current liabilities	1,104.80	2,166.90
Other financial liabilities	85.93	600.06
Provisions	(40.15)	(81.27)
Other non-current liabilities	(84.20)	231.55
Cash Generated From Operations	(4,419.75)	1,624.69
Income Tax Paid	1,170.60	1,001.00
Net Cash Flow from Operating Activities (A)	(5,590.35)	623.69
Cash Flow From Investing Activities		
Sale of current investments	105.59	99.88
Interest Income	112.42	30.03
Investment in Joint Venture	(0.49)	-
Rental Income	2.50	
Purchase of property, plant and equipment	(1,231.08)	(419.04)
Bank Balance (not consider as cash and cash equivalents)	(278.77)	(398.89)
Proceeds from sale of Property, Plant and Equipment	1.25	-
Net Cash flow from Other Financial Assets	(66.55)	(474.09)
Net Cash Used In Investing Activities (B)	(1,355.14)	(1,162.10)
Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares	3,436.62	-
Repayment of Long Term Borrowings	(106.88)	(101.39)
Increase/(Decrease) In Short Term Borrowings	5,198.96	1,191.92
Dividend Paid (including dividend distribution tax)	(159.90)	-
Finance Costs	(825.45)	(578.85)
Net Cash Flow From Financing Activities (C)	7,543.35	511.68

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net Changes in Cash & Cash Equivalents (A + B + C)	597.86	(26.73)
Add : Opening Cash & Cash Equivalents	13.77	40.49
Closing Cash & Cash Equivalents	611.62	13.77

This is the Cash Flow Statement referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

Notes to the Standalone Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has two manufacturing facilities at Jindal Nagar, Hapur (UP) and Khera Dehat, Hapur (UP).

B. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Until the adoption of Ind AS, for all periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Reconciliation and description of the effects of the transition has been summarised in Note 40.

(ii) Basis of Preparation of Financial Statement

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

(iii) Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

(i) Useful life of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value.

(ii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/materialise.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(v) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

(vi) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule -II to the Companies Act, 2013. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Plant & Machinery	15 years
Factory Buildings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

(vii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

Subsequent Expenditure:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on straight line basis over the estimated useful lives of 5 years.

(viii) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount of cash generating units exceeds its recoverable amount.

(ix) Inventories

Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- *Raw materials:* are valued at cost or net realisable value, whichever is lower.
- *Finished goods and work in progress:* are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses. The cost of finished goods also includes applicable excise duty.
- *Traded goods:* cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable value, whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(x) Financial Instruments-Initial Recognition, Subsequent Measurement and Impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

(c) *Classification:*

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) *Financial assets measured at amortised cost:*

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) *Financial assets measured at fair value through other comprehensive income (FVTOCI):*

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) *Financial assets measured at fair value through profit or loss (FVTPL):*

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) *Investment in Equity Instruments:*

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) *Derecognition of Financial assets:*

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) *Impairment of Financial assets:*

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) *Initial recognition and measurement:*

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(b) *Classification & Subsequent measurement:*

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(c) *Loans and Borrowings:*

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as

well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) *Derecognition of Financial Liabilities:*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(e) *Financial guarantee contract*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

(xi) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xiii) Borrowing Costs

Borrowing costs directly attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xiv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

(xv) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet

date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(xvi) Provisions, Contingent Liabilities, Contingent Assets and Commitments

(a) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

(b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(xvii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

(xviii) Revenue Recognition

(a) Sale of goods

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have passed to the buyer, as per the terms of Company and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods, usually on delivery of the goods. Revenue is recognized at the fair value of consideration received or receivable, net of returns and allowances trade discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty.

(b) Rendering of Services

Sale of services is recognised in the accounting period in which the services are rendered.

(c) Other Income

- Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

- *Dividends*

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(xix) Taxation

(a) Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(b) Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(c) Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

(xx) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(xxi) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(xxii) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

Provident Fund: The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

Compensated Absences:

"Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise."

Gratuity: The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

(xxii) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

(xxiii) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(xxiv) The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.

C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7 - Statement of cash flows and Ind AS 102 - Sharebased payment, respectively. The amendments are applicable from 1 April, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equitysettled awards. Market-based performance conditions and non-vesting conditions are reflected in the fair values, but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The requirements of the amendment have no impact on the financial statements as the standard is not applicable to the Company.

D. TRANSITION TO IND AS

The Company has prepared financial statements which comply with Ind AS applicable for period ending on 31 March, 2018, together with the comparative period data as at and for the year ended 31 March, 2017, as described in the summary of significant accounting policies (note 1 of the financial statements). In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1 April, 2016 ('Transition Date'), the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its financial statements prepared on the basis of the Previous GAAP, including the Balance Sheet as at 1 April, 2016 and the financial statements as at and for the year ended 31 March, 2017 to Ind AS.

(a) Optional exemptions availed

In preparing the financial statements, the Company has applied the below mentioned optional exemptions as prescribed under Ind AS 101 - First-time Adoption of Indian Accounting Standards and applicable from the Transition date:

(i) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost. Accordingly, the Company has opted to consider the carrying value of its PPE as recognised in the Previous GAAP on date of transition as deemed cost.

(ii) Investments in subsidiaries, joint venture and associates

The Company has elected to consider the carrying cost of equity investments in subsidiaries, joint venture and associates as per the Previous GAAP as the deemed cost as at the Transition date.

(iii) Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, joint arrangements and associates) as FVTPL based on facts and circumstances at the date of transition to Ind AS. The Company has opted to avail this exemption to designate certain equity investments as FVTPL on the date of Transition.

Notes to the Financial Statements for the Year Ended 31st March, 2018

Note -2 : Property Plant and Equipment

(₹ in Lakh)

	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
Gross Carrying Value							
As at April 1, 2016	1,144.69	989.02	166.34	7.99	36.00	98.01	2,442.06
Add : Addition	196.57	135.26	24.09	0.17	28.29	34.65	419.04
Less : Disposals	-	-	-	-	-	-	-
Less : Impairment	-	-	-	-	-	-	-
As at March 31, 2017	1,341.26	1,124.28	190.43	8.17	64.29	132.67	2,861.10
Add : Addition	429.63	566.62	20.72	0.84	24.37	80.66	1,122.83
Less : Disposals	-	-	-	-	-	4.47	4.47
As at March 31, 2018	1,770.88	1,690.90	211.15	9.00	88.66	208.86	3,979.45
Accumulated Depreciation							
As at April 1, 2016	-	-	-	-	-	-	-
Add : Charge For the year	-	90.22	6.79	1.03	6.81	19.82	124.67
Less : Disposals	-	-	-	-	-	-	-
As at March 31, 2017	-	90.22	6.79	1.03	6.81	19.82	124.67
Add : Charge For the year	-	109.24	7.71	1.05	9.21	29.20	156.41
Less : Disposals	-	-	-	-	-	2.12	2.12
As at March 31, 2018	-	199.45	14.50	2.09	16.01	46.89	278.95
Net Block							
As at April 1, 2016	1,144.69	989.02	166.34	7.99	36.00	98.01	2,442.00
As at March 31, 2017	1,341.26	1,034.06	183.64	7.13	57.49	112.84	2,736.43
As at March 31, 2018	1,770.88	1,491.44	196.65	6.92	72.65	161.96	3,700.50
Capital Work-in-Progress							
As at April 1, 2016							-
As at March 31, 2017							-
As at March 31, 2018							108.25

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 3: Investments			
Investment in Equity Instrument			
In Subsidiary at cost)			
Unquoted			
Salasar Stainless Ltd.	1,794.60	1,794.60	1,794.60
49,99,000 (Previous years - 49,99,000) Equity shares of Rs. 10 each fully paid up.			
Investment in Joint Venture (At Cost)			
Sikka-Salasar-JV	0.49	-	-
Total	1,795.09	1,794.60	1,794.60
Note 4: Other Financial Assets			
Security Deposits	34.17	27.64	26.18
Unsecured, considered good			
Earnest Money Deposit	35.17	45.17	20.55
Balances with banks to the extent held as margin money with more than 12 months maturity	518.02	448.00	-
Total	587.37	520.82	46.73
Note 5: Inventories			
Raw Materials	770.55	593.87	1,068.94
Work in Progress:			
Goods	5,340.59	3,848.40	1,269.30
Project	310.16	778.75	-
Finished Goods	1,531.66	864.06	1,739.04
Scrap	36.05	14.72	58.53
Stores, Spare Parts and Packing Materials	16.75	8.50	5.80
Total	8,005.76	6,108.29	4,141.61
(i) Inventories include goods in transit:			
Finished Goods	216.34	-	-
	216.34	-	-
(ii) Details of Raw Materials			
Shape & Section	237.57	321.57	620.81
Zinc	308.15	71.52	304.06
Nut & Bolt	224.83	200.78	144.07
	770.55	593.87	1,068.94
(iii) Details of Finished Goods			
Galvanised and Non-galvanised M.S. Steel Structures	1,531.66	864.06	1,739.04
	1,531.66	864.06	1,739.04

(iv) Inventories have been offered as security against the working capital loans provided by the banks.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 6: Investments			
Investments other than in Cold Coins measured at fair value through Profit and Loss			
Quoted :			
Investment in Equity Shares :			
Nil (13,516 as at 31 March 2017, 40,000 as at 01 April 2016) Equity Shares of KEI of Rs. 10 each fully paid up.	-	15.37	49.26
Nil (61,500 as at 31 March 2017, Nil as at 01 April 2016) Equity Shares of Hi-Tech Pipes Ltd. of Rs. 10 each fully paid up.	-	79.43	-
4,000 (8,000 as at 31 March 2017, Nil as at 01 April 2016) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up.	7.04	5.75	-
13,338 (Nil as at 31 March 2017, 1,10,000 as at 01 April 2016) Equity Shares of Rama Steel Tubes Ltd. of Rs. 5 each fully paid up.	23.54	-	101.79
Investment in Mutual Funds :			
BOI AXA Capital Protection Oriented Fund Series-2	-	10.00	10.00
Investment in Bonds:			
Gold Bond	1.45	1.45	-
Unquoted (At Cost)			
Gold Coin - Bullion (market value - 8.75 lacs)	8.56	8.56	8.56
Total	40.59	120.55	169.61
Aggregate book value of unquoted investments	10.00	10.00	8.56
Aggregate amount of quoted investments			
Cost	27.96	119.08	161.05
Market Value	30.58	109.87	149.11
Note 7: Trade Receivables			
Unsecured, considered good	14,676.83	7,765.54	5,849.31
Doubtful	171.91	159.97	-
	14,848.74	7,925.51	5,849.31
Less : Provision for Doubtful Debts	(171.91)	(159.97)	-
Total	14,676.83	7,765.54	5,849.31

(i) Retention money, with UP Power Transmission Corporation Ltd which will be receive on completion of the project, has been shown under other current assets as "Security Deposit" (Refer Note -11)

(ii) Trade receivables are netted with Bill discounting of ₹104.17 (previous year ₹Nil)

(iii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iv) Movement in allowance for doubtful debts

(₹ in Lakh)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Balance at the beginning of the year	159.97	-
Allowance for doubtful debts	-	-
Provision during the year	42.00	159.97
Reversal during the year	(30.06)	-
Balance at the end of the year	171.91	159.97

(v) Trade receivables have been offered as security against the working capital loans provided by the banks.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 8: Cash & Cash Equivalents			
Cash on hand	7.76	1.04	14.73
Balances with Banks			
Current Accounts	603.87	12.72	25.76
Total	611.62	13.75	40.49
Note 9: Other Bank Balances			
Balances with banks to the extent held as margin money*	842.64	564.31	165.43
Earmarked balance with bank - unpaid dividend account	0.44	-	-
Total	843.08	564.31	165.43
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			
Note 10: Other Financial Assets			
Interest Accrued on FDR	73.71	33.56	49.27
Security deposit	822.50	1,733.85	
Security Deposit with NSE	35.87	-	-
Total	932.08	1,767.41	49.27
*Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project.			
Note 11: Other Current Assets			
Advances to suppliers	541.97	217.36	158.11
Balance with tax authorities	249.25	721.67	563.21
Prepaid expenses	129.32	186.14	9.59
Advances to related parties	2,194.95	417.58	98.14
Other receivables	35.89	15.67	34.67
Total	3,151.37	1,558.43	863.72
*Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project.			
Note 12: Equity Share Capital			
Authorised Capital			
1,40,00,000 (1,40,00,000 as at 31 March 2017, 60,00,000 as at 01 April 2016) Equity Shares of Rs. 10/- each	1,400.00	1,400.00	600.00
	1,400.00	1,400.00	600.00
Issued, Subscribed and Paid up Capital			
1,32,85,264 (99,56,300 as at 31 March 2017, 49,78,150 as at 01 April 2016) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	995.63	497.82
Total	1,328.53	995.63	497.82

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

A. Reconciliation of Shares outstanding at the beginning and at the end of year:

Particulars	As at 31 st March, 2018		As at 31 st March, 2017		As at 01 st April, 2016	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	9,956,300	99,563,000	4,978,150	49,781,500	4,978,150	49,781,500
Add: Equity Shares Issued during the year	3,328,964	33,289,640	4,978,150	49,781,500	-	-
Equity Shares outstanding at the end of the year	13,285,264	132,852,640	9,956,300	99,563,000	4,978,150	49,781,500

B. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31 st March, 2018		As at 31 st March, 2017		As at 01 st April, 2016	
	No. of Shares held	% of holding	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	28.87%	1,437,150	28.87%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	12.86%	180,000	3.62%
M/s Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	9.89%	492,500	9.89%
Sh. Alok Kumar	894,000	6.73%	894,000	8.98%	547,000	10.99%
Sh. Shashank Agarwal	710,592	5.39%	710,592	7.14%	782,000	15.71%
Smt. Anshu Agarwal	578,000	4.39%	578,000	5.81%	289,000	5.81%
Smt. Kamlesh Gupta	500,000	3.76%	500,000	5.02%	350,000	7.03%

C. Equity Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March

Particulars	No. of Shares
	As at 31 st March 2017
Bonus Shares issued in 2016-17	4,978,150

D. Rights, Preferences and restrictions attached to shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

E. The Company has issued 33,28,964 Equity Shares at a premium of ₹98 per share in pursuant to IPO dated 25-July-2017.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 13: Other Equity			
Securities Premium Account	5,488.89	2,385.17	2,883
General Reserves	-	-	-
Retained Earning*	7,895.82	5,793.39	4,124
Total	13,384.71	8,178.56	7,007
For movement during the year in Other Equity, refer 'Statement of Changes in Equity'.			
*Retained Earning includes Other Comprehensive Income.			
Note 14: Borrowings			
Secured			
Term Loan from Bank	-	-	275.00
Vehicle Loan from Banks	80.87	31.99	27.33
Less: Current Maturities transferred to other financial liabilities	19.82	12.27	162.92
Total (A)	61.05	19.72	139.41
Unsecured			
Loans & advances from Related parties	52.92	201.13	182.84
Total (B)	52.92	201.13	182.84
Total (A+B)	113.97	220.86	322.25

A. Nature of Security and terms of repayment for Long Term Secured Borrowings :-

Nature of Security	Repayment Terms
Term loan amounting to ₹ Nil (As at March 31, 2017 ₹ Nil, As at 1 April, 2016 ₹ 275.00 Lakh).	Secured by first charge on land, building and plant and machiney situated at factory. The term loan which was repayable by January 2018 has been repaid during FY 2016-17.
Various Vehicle Loans total amount ₹ 80.87 Lakh (Previous Year ₹ 31.99 Lakh) secured by way of hypothecation of vehicles	Repayable in 36-84 monthly installments commencing from various dates.

Installment falling due in respect of all the above Loans upto 31.03.2019 have been grouped under "Current Maturities of long term debt" (Refer Note No. 21).

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 st March, 2018	As at 31 st March, 2017	As at 01 st April, 2016
Mr. Alok Kumar	Unsecured Loans	Managing Director	-	-	3.40
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director	-	58.13	90.90
Mr. Shalabh Agarwal	Unsecured Loans	Director	-	75.00	20.00
Mrs. Anshu Agarwal	Unsecured Loans	Relative of KMP	-	15.09	15.09
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15	18.15
Hill View Infrabuild Ltd	Unsecured Loans	Associate	34.77	34.77	35.30
			52.92	201.13	182.84

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 15: Other Financial Liabilities			
Security Deposits from Contractor*	828.65	750.71	-
Total	828.65	750.71	-
*Security deposit of ₹ 9.85 received from Arrvabss Buildwell and Infracon LLP (Contractor) against installation, erection and commission of transmission line project (Tender No.- PVVNL-MT/DDUGYJY/353/15-16 and PVVNL-MT/DDUGYJY/359/15-16).			
Note 16: Provisions			
Provision for Gratuity	92.63	65.66	44.12
Provision for Earned Leave Encashment	6.80	9.43	-
Total	99.43	75.10	44.12
Note 17: Deferred Tax Liabilities (net)			
Deferred Tax Liabilities :			
Opening Balance	147.14	130.79	114.36
Increase / (decrease) on account of Property, Plant and equipment	1.16	15.41	16.43
Increase / (decrease) on account of Fair Valuation of Investment	0.92		
Increase / (decrease) on account of IND AS adjustments	4.05	0.95	
Total (a)	153.26	147.14	130.79
Deferred Tax Assets :			
Opening Balance	69.66	3.91	-
Increase / (decrease) on account of Provisions	36.15	65.74	3.91
Total (b)	105.81	69.66	3.91
Total (a-b)	47.45	77.48	126.87
Note 18: Other Non-current Liabilities			
Deferred Expenses	147.35	231.55	-
Total	147.35	231.55	-
Note 19: Borrowings			
Secured Loans			
Loan repayable on demand from banks	9,463.18	5,156.81	3,964.89
Unsecured Loans			
Loan repayable on demand from banks	705.99	-	-
Loans & advances from Others	186.60		-
Total	10,355.77	5,156.81	3,964.89

Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in the form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Salasar Stainless Ltd. and M/s. Shikhar Fabtech Pvt Ltd to the Banks for Working Capital facilities.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 20: Trade Payables			
Payable to Raw Materials Suppliers	3,107.77	3,272.83	1,513.69
Total	3,107.77	3,272.83	1,513.69
Note 21: Other Financial Liabilities			
Current Maturities of Long Term Borrowing	19.82	12.27	162.92
Unpaid/ unclaimed dividend	0.44	-	-
Total	20.26	12.27	162.92
Note 22: Provisions			
Provision for Excise Duty on Finished Goods	-	75.54	186.81
Provision for Gratuity	27.06	15.36	17.95
Provision for Earned Leave Encashment	0.96	1.60	-
Total	28.02	92.51	204.76
Note 23: Other Current Liabilities			
Other Payables	3,962.65	2,961.21	1,221.56
Advance from Customers	289.03	93.06	163.83
Capital Advance	175.00	410.00	-
Due to Employees	213.92	131.52	176.15
Statutory Dues	165.39	77.01	62.70
Expenses payable	30.23	12.60	44.61
Total	4,836.23	3,685.40	1,668.85
Note 24: Current Tax Liability (net)			
Provision for Tax (Net of Advance Tax / TDS)	154.41	200.44	50.10
Total	154.41	200.44	50.10

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 25- Revenue from Operations		
Sale of Products		
Finished Goods		
(a) Within India	41,603.47	33,960.34
(b) Outside India	1,819.86	679.30
Sale of Services	3,916.63	4,573.80
Other Operating Revenues	1,168.29	1,165.22
Total	48,508.24	40,378.67
Sale of Services Comprises :		
Erection Service	3,871.53	4,201.45
Others	45.10	372.35
	3,916.63	4,573.80
Other Operating Revenue Comprises :		
Sale of Scrap	1,020.66	978.14
Export Incentives	37.16	109.27
Others	110.47	77.82
	1,168.29	1,165.22
Note 26 - Other Income		
Interest on Bank Deposits	69.85	28.58
Interest on other financial assets	42.57	1.46
Gain on fair valuation of investments	2.62	0.79
Rental Income	2.50	-
Total	117.54	30.82
Note 27 - Cost of Raw Material Consumed		
Opening Stock	593.87	1,068.94
Add : Purchases	34,955.29	25,471.00
	35,549.16	26,539.94
Less :- Closing Stock	770.55	593.87
Total	34,778.61	25,946.07
A. Details of Raw Material Consumed		
Shape and Section	21,429.75	17,347.75
Zinc	7,791.98	6,850.53
Nuts & Bolts	1,271.52	780.66
Other Material	4,285.36	967.13
Total	34,778.61	25,946.07

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 28 - Changes in Inventories of Finished goods, Work-in-progress and others		
Opening Stock		
Finished Goods	864.06	1,739.04
Work in Progress:		
Goods	3,848.40	1,269.30
Project	778.75	-
Scrap	14.72	58.53
Total (a)	5,505.92	3,066.87
Closing Stock		
Finished Goods	1,531.66	864.06
Work in Progress:		
Goods	5,340.59	3,848.40
Project	310.16	778.75
Scrap	36.05	14.72
Total (b)	7,218.46	5,505.92
Add / (Less) :- Variation in excise duty on opening and closing stock of finished goods		
Opening Balance	75.54	186.81
Closing Balance	-	75.54
Total (c)	75.54	111.26
(Increase) / Decrease in Stock (a-b-c)	(1,788.09)	(2,550.32)
Note 29: Employee benefits expenses		
Salary and Wages	1,385.15	925.39
Contribution to Provident Fund & ESI	93.56	69.12
Staff Welfare	23.42	27.21
Total	1,502.13	1,021.72
Note 30: Finance Costs		
Bank Interest	633.72	431.34
Bank Charges	58.88	100.29
Interest to Others	117.37	30.03
Interest on Unsecured Loan	15.47	17.19
Total	825.45	578.85

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 31 : Other Expenses		
Consumption of Stores and spare parts	802.43	651.74
Power & Fuel	609.46	513.45
Labour Processing, Testing and Machinery Hire Charges	255.78	101.66
Installation and Erection Charges	2,751.09	4,678.55
Job Work Charges	1,855.69	1,353.02
Repairs to Building	36.63	14.18
Repairs to Machinery	140.64	117.56
Insurance	35.19	21.75
Legal & Professional Charges	1,230.34	811.46
Security Expenses	67.10	51.30
Printing & Stationery	15.87	10.82
Conveyance & Travelling Exp	84.67	67.46
Repair & Maintenance others	49.19	48.52
Rent, Rates & Taxes	184.96	353.44
Corporate Social Responsibility Expenses	47.79	20.80
Postage & Telephone	18.31	13.56
Auditors' Remuneration	4.50	2.02
Freight & Forwarding (net)	336.31	363.93
Commission	111.21	30.04
Business Promotion	56.28	27.79
Packing Material	182.67	97.06
Advertisement	7.35	-
Miscellaneous Expenses	100.73	111.15
Loss on sale of Property, Plant and Equipment	1.10	-
Provision for Dimunition in value of investment	-	11.94
Provision for doubtful Debts	11.94	159.97
Total	8,997.22	9,633.18
(i) Details of payments to auditors:		
a. Statutory Audit Fees	2.50	1.50
b. Tax Audit fee	2.00	0.30
c. Other Services	0.50	0.22
	5.00	2.02
(ii) Amount required to be spent by the Company during the year on CSR is ₹ 35.94 Lakh (previous year ₹ 23.51 Lakh) whereas the Company has spent ₹ 48.46 Lakh (previous year ₹ 19.23 crore). The Company has spent the following amounts during the year.		
1) Health care and family welfare	24.50	5.75
2) Promotion of Education	23.35	9.76
3) Building of Roads, pathway and bridges	-	3.72
4) Other approved activities	0.61	-
	48.46	19.23

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 32 : Exceptional Item :		
Profit (Loss) on Sale of Shares	25.62	50.83
Total	25.62	50.83
Note 33 : Tax Expenses		
Current Tax		
In respect of the current year	1,176.44	999.01
In respect of the prior year	(5.83)	1.99
	1,170.60	1,001.00
Deferred Tax		
Incremental/(Decremental)DeferredTaxLiabilityonaccount of Property, Plant and Equipment and Intangible Assets	(36.15)	(65.02)
Incremental/(Decremental) Deferred Tax Liability on account of Fair Valuation of Investments	0.92	-
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	4.27	16.36
	(30.97)	(48.66)
Total	1,140	952.34
Note 34 : Earnings per Share		
Profit for the period	2,260.59	1,671.15
Weighted average number of Equity Shares outstanding	12,236,412	9,956,300
Weighted average number of Diluted Shares outstanding	12,236,412	9,956,300
Face Value per share	10.00	10.00
Basic EPS (₹)	18.47	16.78
Diluted EPS (₹)	18.47	16.78

Note 35 : Segment Information in accordance to Ind AS- 108 - 'Operating Segments'.

The Company primarily engaged in manufacturing of Galvanise M.S. Steel Structures and related activities. Information reported to and evaluated regularly by the Operational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing performance focuses on the business as whole. The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separate reportable segment as defined by Ind As 108 "Operating Segments". As the Company also prepares the Consolidated Financial Statements (CFS), other relevant segment information is disclose in the CFS.

Note 36 : Employee Benefit Obligations

(i) Defined Contribution Plans:

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 63.67 (Year ended 31 March, 2017 ₹ 45.53) for Provident Fund contributions, and ₹ 26.53/- (Year ended 31 March, 2017 ₹ 19.32) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Notes to the Financial Statements for the Year Ended 31st March, 2018

(ii) Defined Benefit Plans (Unfunded):

- (a) **Gratuity:** The Company has an unfunded defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(i) Change in present value of obligation (₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Present value of obligation as at the beginning of the period	81.03	62.07
Acquisition adjustment	-	-
Interest cost	5.96	4.97
Past service cost	-	-
Current service cost	25.64	17.88
Curtailment cost/(Credit)	11.95	-
Settlement cost/(Credit)	-	-
Benefits paid	(2.21)	(5.97)
Actuarial (gain)/loss on obligation	(2.67)	2.08
Present value of obligation as at the end of period	119.69	81.03

(ii) Assets and Liabilities recognised in the Balance Sheet (₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Present value of obligation as at the end of the period	119.69	81.03
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(119.69)	(81.03)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	(119.69)	(81.03)
Recognised Under :		
Long Term Provision	92.63	65.66
Short Term Provision	27.06	15.36
Total	119.69	81.03

(iii) Expense recognised in the Statement of Profit and Loss (₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Total service cost	37.58	17.88
Interest cost	5.96	4.97
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Expenses recognised in the Statement of Profit & Losses	43.54	22.85

Notes to the Financial Statements for the Year Ended 31st March, 2018

(iv) Other Comprehensive Income (OCI)

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Net cumulative unrecognized actuarial gain/ (loss) opening	-	-
Actuarial gain/ (loss) for the year on PBO	2.67	(2.08)
Actuarial gain/ (loss) for the year on Assets	-	-
Unrecognized actuarial gain/(loss) for the year	2.67	(2.08)

(v) Principal Actuarial assumptions.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Discount Rate per annum	7.72%	7.35%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Estimate of amount of contribution in the immediate next year	41.28	28.44

- (b) **Leave Encashment** : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Change in present value of obligation

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Present value of obligation as at the beginning of the period	11.04	-
Acquisition adjustment	-	-
Interest cost	0.81	-
Past service cost	-	6.30
Current service cost	2.49	4.74
Curtailment cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(11.63)	-
Actuarial (gain)/loss on obligation	5.05	-
Present value of obligation as at the end of period	7.77	11.04

(ii) Assets and Liabilities recognised in the Balance Sheet

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Present value of obligation as at the end of the period	11.04	11.04
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(11.04)	(11.04)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	(11.04)	(11.04)

Notes to the Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Recognised Under :		
Long Term Provision	6.80	9.43
Short Term Provision	0.96	1.60
Total	7.77	11.04

(iii) Assets and Liabilities recognised in the Balance Sheet.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Current service cost	2.49	4.74
Past service cost	-	6.30
Interest cost	0.81	-
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	5.05	-
Expenses recognised in the Statement of Profit & Losses	8.36	11.04

(iv) Principal Actuarial assumptions.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Discount Rate per annum	7.72%	7.35%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Employee Turnover/Attrition Rate		
Upto 30 Years	3%	3%
From 31 to 44 Years	2%	2%
Above 44 Years	1%	1%

Note 37 : Related Parties Disclosures:

1. Name of Related Parties and Nature of Relationship :

Where control exists

Subsidiary Company	Salasar Stainless Limited
Jonit Venture	Sikka-Salasar-JV*

Other Related Parties with whom transactions have taken place during the year :

Associates :	Capital Udyog
	Capital Founder
	Hill View Infrabuild Ltd.

Key Management

Personnels:	Mr. Alok Kumar (Chairman and Managing Director)
	Mr. Shalabh Agrawal (Director)
	Mr. Shashank Agrawal (Joint Managing Director)
	Ms. Tripti Gupta (Director)

Notes to the Financial Statements for the Year Ended 31st March, 2018

Relatives of Key

Management Personnels

Mrs. Anshu Agrawal	(Wife of Mr. Shashank Agarwal)
Mrs. Kamlesh Gupta	(Wife of Mr. Alok Kumar)
Mr. Shikhar Gupta	(Son of Mr. Alok Kumar)
Mrs. Taru Agrawal	(Wife of Mr. Shalabh Agarwal)

*The Company had formed on 30.03.2017 a joint venture in the form of Association of Persons (AOP) in the name of "Sikka-Salasar-JV" with M/s Sikka Engineering Company, a partnership firm, for the purpose of participation in the Tender submitted with the Central Organisation for Railway Electrification (CEE/CORE), 1, Nawab Yusuf Road, Civil Lines, Allahabad-211001, for the work of "Design, Supply, Erection, Testing & Commissioning of 25Kv, 50Hz, Single Phase, AC, electrification works including OHE & TSS as Composite Electrical Works" in Zafrabad-Akbarpur- Tanda and Aunrihar-Jaunpur section, Group-199 & 224 of Lucknow Division of Northern Railway and Varanasi Division of North Eastern Railway under RE Project Lucknow, Total 161 RKM/185 TKM.

2. Transaction Carried out with related parties referred to in (1) above, in ordinary course of business:

Nature of Transactions	Subsidiary	Associates / Joint Ventures	Key Management Personnel	Relatives
Sale of goods				
Salasar Stainless Ltd	(23.96)	(-)	(-)	(-)
Purchase of goods				
Salasar Stainless Ltd	50.75 (31.94)	(-)	(-)	(-)
Capital Founder	(-)	0.16 (-)	(-)	(-)
Capital Udyog	(-)	2.96 (0.31)	(-)	(-)
Job work expenses				
Salasar Stainless Ltd	1,813.75 (1,258.94)	(-)	(-)	(-)
Capital Udyog	(-)	(7.34)	(-)	(-)
Rental Expenses				
Salasar Stainless Ltd	2.50 (-)	(-)	(-)	(-)
Directors Remuneration				
Sh. Alok Kumar	(-)	(-)	66.00 (20.50)	(-)
Sh. G. K. Agarwal	(-)	(-)	(10.50)	(-)
Sh. Shashank Agarwal	(-)	(-)	60.00 (7.50)	(-)
Sh. Shalabh Agarwal	(-)	(-)	48.00 (16.25)	(-)
Ms. Tripti gupta	(-)	(-)	42.00 (14.70)	(-)
Salary				
Mrs. Anshu Agarwal	(-)	(-)	(-)	18.00 (10.08)

Notes to the Financial Statements for the Year Ended 31st March, 2018

Mrs. Taru Agarwal	- (-)	- (-)	- (-)	18.00 (10.08)
Mrs. Kamlesh Gupta	- (-)	- (-)	- (-)	- (5.08)
Mr. Shikhar Gupta	- (-)	- (-)	- (-)	- (6.65)
Lease Rent -Car				
Sh. Shashank Agarwal	- (-)	- (-)	5.40 (2.25)	- (3.15)
Sh. Shalabh Agarwal			6.60 (4.15)	- (-)
Mrs. Anshu Agarwal	- (-)	- (-)	- (-)	3.00 (1.50)
Mrs. Kamlesh Gupta	- (-)	- (-)	- (-)	1.80 (0.75)
Loans Received				
Hill View Infrabuild Ltd	- (-)	- (-)	- (-)	- (-)
Sh. Shashank Agarwal	- (-)	- (-)	- (-)	- (-)
Sh. Shalabh Agarwal	- (-)	- (-)	- (55.00)	- (-)
Interest Paid				
Sh. Shashank Agarwal	- (-)	- (-)	2.10 (7.98)	- (-)
Sh. Shalabh Agarwal	- (-)	- (-)	6.74 (7.50)	- (-)
Loans Given				
Salasar Stainless Ltd	501.36 (319.44)	- (-)	- (-)	- (-)
Sikka-Salasar-JV	- (-)	1,276.01 (-)	- (-)	- (-)

* Figures in braket represent previous year amount.

3. Balance outstanding at the end of the year.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Payables		
Sh. Shashank Agarwal	-	58.13
Sh. Shalabh Agarwal	-	75.00
Hillview Infrabuild Ltd.	34.77	34.77
Mrs. Anshu Agarwal	-	15.09
Mrs. Taru Agarwal	18.15	18.15
Capital Udyog	-	5.60
Receivables		
Salasar Stainless Ltd	918.94	417.58
Sikka- Salasar-JV	1,276.01	-

Notes to the Financial Statements for the Year Ended 31st March, 2018

Note 38 : Micro, Small and Medium Enterprises.

Information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

Note 39 : Contingent Liabilities and commitments (to the extent not provided for). (₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Bank Guarantee and LC for which FDR margin has been given to the bank as security	7,696.67	5,142.93
Corporate Guarantee to Punjab National Bank, Sector - 27, NOIDA for its 100% subsidiary - Salasar Stainless Ltd.	-	3,200.00

The company does not expect any outflow of resources in respect of the above.

Note 40 : First Time Ind AS Adoption Reconciliations:

An explanation of how the transition from the Previous GAAP to Ind AS has affected the Company's Balance Sheet, other equity, Statement of Profit and Loss and other comprehensive income and Cash Flows is set out in the following tables and notes that accompany the tables.

1. Effect of Ind AS adoption on the Standalone Balance Sheet as at 31st March, 2017 and 1st April, 2016

Particulars	As at 31 st March, 2017			As at 1 st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-current Assets						
Property, Plant and Equipment	2,736.43	-	2,736.43	2,442.06	-	2,442.06
Financial assets						-
(a) Investments	1,794.60	-	1,794.60	1,794.60	-	1,794.60
(b) Other financial asset	520.82	-	520.82	46.73	-	46.73
Current Assets						
Inventories	6,108.29	-	6,108.29	4,141.61	-	4,141.61
Financial Assets						
(a) Investments	120.55	-	120.55	169.61	-	169.61
(b) Trade Receivables	7,765.54	-	7,765.54	5,849.31	-	5,849.31
(c) Cash and Cash Equivalent	13.75	-	13.75	40.49	-	40.49
(d) Bank balances other than (c) above	564.31	-	564.31	165.43	-	165.43
(e) Other financial assets	1,767.41	-	1,767.41	49.27	-	49.27
Current tax assets (Net)						
Other current assets	1,558.43	-	1,558.43	863.72	-	863.72
TOTAL ASSETS	22,950.14	-	22,950.14	15,562.83	-	15,562.83
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	995.63	-	995.63	497.82	-	497.82
Other Equity	8,178.56	-	8,178.56	7,006.57	-	7,006.57

Notes to the Financial Statements for the Year Ended 31st March, 2018

Particulars	As at 31 st March, 2017			As at 1 st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
Liabilities						
Non-current Liabilities						
Financial Liabilities						
(a) Borrowings	220.86	-	220.86	322.25	-	322.25
(b) Other Financial Liabilities	750.71	-	750.71	-	-	-
Provisions	75.10	-	75.10	44.12	-	44.12
Deferred Tax Liabilities (Net)	77.48	-	77.48	126.87	-	126.87
Other Non-current Liabilities	231.55	-	231.55	-	-	-
Current Liabilities						
Financial Liabilities						
(a) Borrowings	5,156.81	-	5,156.81	3,964.89	-	3,964.89
(b) Trade Payables	3,272.83	-	3,272.83	1,513.69	-	1,513.69
(c) Other Financial Liabilities	12.27	-	12.27	162.92	-	162.92
Provisions	92.51	-	92.51	204.76	-	204.76
Other Current Liabilities	3,685.40	-	3,685.40	1,668.85	-	1,668.85
Current Tax Liability (Net)	200.44	-	200.44	50.10	-	50.10
TOTAL EQUITY AND LIABILITIES	22,950.14	-	22,950.14	15,562.83	-	15,562.83

2. Reconciliation of Total Comprehensive Income and Other Equity between Ind AS and Previous GAAP.

(₹ in Lakh)

Particulars	Profit	Other Equity	
	Year ended 31 st March, 2017	As at 31 st March, 2017	As at 1 st April, 2016
Net Profit/ Other Equity as per Previous Indian GAAP	1,676.54	8,185.30	7,006.57
Effects of transition of IND AS			
Actuarial Gain/Loss on employees benefit recognised in the Other Comprehensive Income (net of tax)	(1.35)	(1.35)	(4.04)
Actuarial Gain/Loss on employees benefit recognised in the Profit & Loss A/c (net of tax)	1.35	1.35	4.04
Investment in Equity Shares fair value as per IND AS 109 (net of tax)	(8.53)	(8.53)	-
Discounting of Security Deposit received and corresponding impact on service cost/interest expense (net of tax)	1.34	1.79	-
Total Comprehensive Income/ Other Equity under IND AS	1,669.80	8,178.56	7,006.57

3. Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017.

Particulars	Year ended 31 st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from Operations	40,378.67	-	40,378.67
Other Income	30.03	0.79	30.82
Total Revenue	40,408.70	0.79	40,409.49

Notes to the Financial Statements for the Year Ended 31st March, 2018

Particulars	Year ended 31 st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EXPENDITURE			
Cost of Materials Consumed	24,978.94	-	24,978.94
Purchases of Traded Goods	967.13	-	967.13
Changes in Inventories of Finished Goods, Work-in-progress and others	(2,553.02)	-	(2,553.02)
Excise Duty on Sale of Goods	3,082.65	-	3,082.65
Employee Benefits Expenses	1,023.80	(2.08)	1,021.72
Finance Costs	560.54	18.31	578.85
Depreciation and Amortization Expenses	124.67	-	124.67
Other Expenses	9,644.98	(9.11)	9,635.88
Total Expenses	37,829.70	7.12	37,836.82
Profit before Exceptional Items & Taxes	2,579.00	(6.33)	2,572.66
Exceptional Items	48.21	2.62	50.83
Profit Before Tax	2,627.20	(3.71)	2,623.49
Tax Expenses			
Current Tax	1,001.00	-	1,001.00
Deferred Tax	(50.34)	1.67	(48.67)
Profit for the Year	1,676.54	(5.38)	1,671.16

4. Explanation of material adjustments to Statement of cash flow for the year ended 31 March, 2017:

There are no material adjustments to Statement of Cash Flows as reported under the Previous GAAP except for increase in cash from investing activities and corresponding decrease in cash and cash equivalents of ₹383.18 Lakh for the year ended 31 March, 2017.

5. Notes to reconciliations:

(a) Fair valuation of investments

FVTPL Investments

In respect of FVTPL investments, fair value adjustment under Ind AS has resulted in an decrease in profit before tax under Ind AS by ₹ 8.53 Lakh for the year ended 31 March, 2017.

(b) Remeasurements of defined benefit plans

Under the Previous GAAP, actuarial gains and losses, are charged to profit or loss, however under Ind AS, they form part of remeasurement of defined benefit liability/asset and are recognised in OCI. As a result ₹ 1.36 Lakh have been recognised in the OCI net of tax, for the year ended 31 March, 2017.

(c) Discounting of Security Deposit

In respect of Security Deposit, discounting adjustment under Ind AS has resulted in an increase in profit before tax under Ind AS by ₹ 2.74 Lakh for the year ended 31 March, 2017.

4. Deferred tax

Various transitional adjustments resulted in temporary differences between taxable profits and accounting profits. Tax adjustments includes deferred tax impact on account of difference between the Previous GAAP and Ind AS on the adjustments discussed above in notes 1 to 3.

Note 41: In the opinion of the Board of Directors, all the Known liabilities and expenses have been provided in the books of accounts.

Note 42: Balances under the head loans and advances, sundry debtors, sundry creditors are relied upon and subject to reconciliation and confirmation.

For ARUN NARESH & CO.
Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain
Partner
M. No. 084598
Place: New Delhi
Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

CONSOLIDATED PART

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SALASAR TECHNO ENGINEERING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SALASAR TECHNO ENGINEERING LIMITED**. (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, 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 of the aforesaid consolidated financial statements.

- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) on the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For **ARUN NARESH & COMPANY**

Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN

Partner

(Membership No. 084598)

New Delhi, 22 May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the 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 the respective 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 internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company and its subsidiary companies, which are incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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 respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ARUN NARESH & COMPANY**

Chartered Accountants

(FRN.: 007127N)

ARUN KUMAR JAIN

Partner

(Membership No. 084598)

New Delhi, 22 May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Note No.	As at 31 st March, 2018	As at 31 st March, 2017	As at 01 st April, 2016
ASSETS				
Non-current Assets				
Property, Plant and Equipment	2	7,170.94	6,157.77	5,490.81
Capital Work -in- Progress	2	108.25	-	11.61
Goodwill on Consolidation		-	-	2.50
Intangible Assets	3	-	0.42	0.42
Financial Assets				
(a) Investment in Joint Venture	4	-	-	-
(b) Other Financial Asset	5	630.80	562.98	87.67
Current Assets				
Inventories	6	8,901.23	6,881.52	4,490.48
Financial Assets				
(a) Investments	7	40.59	120.55	169.61
(b) Trade Receivables	8	15,162.00	7,970.64	6,257.50
(c) Cash and Cash Equivalent	9	615.19	22.73	52.30
(d) Bank balances other than (c) above	10	893.75	614.99	187.10
(e) Other financial assets	11	947.65	1,779.06	58.51
Current tax assets (Net)	12	-	-	5.96
Other current assets	13	2,362.61	1,427.22	863.39
TOTAL ASSETS		36,833.01	25,537.88	17,677.85
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	14	1,328.53	995.63	497.82
Other Equity	15	14,570.85	8,660.19	7,291.36
Liabilities				
Non-current Liabilities				
Financial Liabilities				
(a) Borrowings	16	477.47	704.95	1,130.32
(b) Other financial liabilities	17	828.65	750.71	-
Provisions	18	123.25	90.07	51.74
Deferred Tax Liabilities (Net)	19	197.07	206.49	252.53
Other Non-current Liabilities	20	147.35	231.55	-
Current Liabilities				
Financial Liabilities				
(a) Borrowings	21	10,424.88	6,160.45	4,460.73
(b) Trade Payables	22	3,201.26	3,410.44	1,569.69
(c) Other financial liabilities	23	20.26	12.27	329.59
Provisions	24	28.58	100.81	223.42
Other Current Liabilities	25	5,221.43	3,984.75	1,820.57
Current Tax Liability (Net)	26	263.44	229.58	50.10
Total		36,833.01	25,537.88	17,677.85

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018
(₹ in Lakh)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
REVENUES			
Revenue from operations	27	50,268.71	41,624.11
Other Income	28	123.94	35.86
Total Revenue		50,392.65	41,659.97
EXPENSES			
Cost of material consumed	29	35,538.85	26,668.98
Changes in Inventories of Finished goods, Work-in-progress and others	30	(1,901.38)	(2,494.50)
Excise duty		794.64	3,195.54
Employee benefits expenses	31	2,296.29	1,424.60
Finance Costs	32	841.68	744.99
Depreciation and amortization expenses	2	386.09	328.85
Other Expenses	33	8,138.79	8,962.20
Total expenses		46,094.97	38,830.66
Profit before exceptional items, share of net profit of investments accounted for using equity method & tax		4,297.67	2,829.31
Share of net profit of investments accounted for using equity method	4	(0.49)	-
Profit before exceptional items & tax		4,297.18	2,829.31
Exceptional Items	34	25.62	50.83
Profit Before Tax		4,322.80	2,880.14
Tax Expenses	35		
Income Tax		1,420.81	1,056.63
Deferred Tax		(60.10)	(45.89)
Profit for the year		2,962.10	1,869.40
Other Comprehensive Income (OCI)			
(A) Items that will not be classified to profit or loss			
Remeasurements of the defined benefit plans		6.80	(0.41)
Income tax relating to items that will not be classified to profit or loss		2.07	(0.15)
(B) Items that will be classified to profit or loss			
Total Comprehensive Income for the year		2,966.83	1,869.15
Earning per Equity share of Rs. 10 each			
(1) Basic (₹)		24.21	18.78
(2) Diluted (₹)		24.25	18.78

Notes referred to above and notes attached there to form an integral part of Profit and Loss Statement.

This is the Profit and Loss Statement referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N

Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors
Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital (Refer Note-14)

(₹ in Lakh)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31 st March, 2017	497.82	497.82	995.63
For the period ended 31 st March, 2018	995.63	332.90	1,328.53

B. Other Equity (Refer Note-15)

(₹ in Lakh)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2016	2,882.99	-	4,403.12	-	5.26	7,291.36
Profit for the year	-	-	1,869.40			1,869.40
Adjustment on Amalgamation			(2.50)			
Other Comprehensive Income (net of tax)	-				(0.26)	(0.26)
Total Comprehensive Income for the year	-	-	1,866.90	-	(0.26)	1,866.65
Issue of Bonus Shares	(497.82)					(497.82)
Balance as at March 31, 2017	2,385.17	-	6,270.02	-	5.00	8,660.19
Profit for the period			2,962.10			2,962.10
Other Comprehensive Income (net of tax)						-
Total Comprehensive Income for the year	-	-	2,962.10	-	4.73	2,966.83
Issue of Equity Shares (net of transition cost)	3,103.72					3,103.72
Less : Interim Dividend			132.85			132.85
Less: Dividend Distribution Tax on Interim Dividend			27.05			27.05
Balance as at March 31, 2018	5,488.89	-	9,072.22	-	9.73	14,570.84

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The Board of Directors has recommended a dividend of 10 % for the financial year 2017-18, on 22 May, 2018 amounting to ` 1.00 per share. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements.

Notes referred to above and notes attached there to form an integral part of Statement of Changes in Equity.

This is the Statement of Changes in Equity referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain

Partner
M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	4,322.80	2,880.14
Adjustment for:		
Depreciation & Amortization	386.09	328.85
Provision for Doubtful Debts	26.04	159.97
Loss on sale of property, plant and equipment	2.71	-
Finance Cost	841.68	744.99
Adjustment on account of fair valuation of assets	6.80	(0.41)
Interest Income	(121.23)	(35.07)
Loss /(Profit) on Sale of Investments	(25.62)	(50.83)
Operating Profit Before Working Capital Changes	5,439.27	4,027.65
Adjustments For Working Capital		
Adjustment for (increase) / decrease in operating assets		
Inventories	(2,019.71)	(2,391.05)
Trade receivables	(7,217.40)	(1,873.11)
Other financial assets	831.41	(1,720.55)
Other current assets	(886.77)	(557.87)
Adjustment for (increase) / decrease in operating liabilities		
Trade payables	(209.18)	1,840.75
Other current liabilities	1,270.55	2,343.66
Other financial liabilities	7.99	(317.32)
Provisions	(39.05)	(84.28)
Other non-current liabilities	(6.27)	982.26
Cash Generated From Operations	(2,829.15)	2,250.14
Income Tax Paid	(1,420.81)	(1,056.63)
Net Cash Flow from Operating Activities (A)	(4,249.96)	1,193.51
Cash Flow From Investing Activities		
Sale of Current Investments	105.59	99.88
Interest Received	121.23	35.07
Proceeds from sale of Property, Plant and Equipment	4.43	-
Bank Balance (not consider as cash and cash equivalents)	(278.76)	(427.89)
Purchase Of Fixed Assets	(1,514.22)	(984.21)
Investment in Joint Venture	-	-
Net Cash flow from Other Financial Assets	(67.82)	(475.31)
Net Cash Used In Investing Activities (B)	(1,629.56)	(1,752.45)
Cash Flow From Financing Activities		
Proceeds from issue of Shares	3,436.62	-
Increase/(Decrease) In Borrowings	4,264.43	1,699.72
Dividend Paid (including dividend distribution tax)	(159.90)	-
Increase/(Decrease) In Long Term Borrowings	(227.48)	(425.37)
Finance Costs	(841.68)	(744.99)
Net Cash Flow From Financing Activities (C)	6,471.99	529.36

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Net Changes in Cash & Cash Equivalents (A + B + C)	592.47	(29.58)
Add : Opening Cash & Cash Equivalents	22.73	52.30
Closing Cash & Cash Equivalents	615.19	22.73

This is the Cash Flow Statement referred to in our Report of even date.

For ARUN NARESH & CO.

Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain

Partner

M. No. 084598

Place: New Delhi

Date : 22nd May, 2018

for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)

Notes to the Consolidated Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

Salasar Techno Engineering Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has two manufacturing facilities at Jindal Nagar, Hapur (UP) and Khera Dehat, Hapur (UP).

B. BASIS OF CONSOLIDATION

The CFS comprise the financial statements of the Company, its subsidiaries and the Group's interest in associate and jointly ventures as at the reporting date.

Subsidiary

Subsidiary include all the entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting.

The CFS have been prepared on the following basis

The financial statements of the Company and its subsidiary company has been consolidated on a lineby-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiary entity are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The CFS include the share of profit / loss of the joint ventures and the associate company which are accounted as per the 'equity method'.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the postacquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI.

The CFS are presented, to the extent applicable, in accordance with the requirements of Schedule III of the 2013 Act as applicable to the Company's separate financial statements.

C. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Until the adoption of Ind AS, for all periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Reconciliation and description of the effects of the transition has been summarised in Note 40.

(ii) Basis of Preparation of Financial Statement

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting polices below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

(iii) Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below :

(i) Useful life of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated over the useful life, which is based on expected usage of the assets, expected physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and residual value.

(ii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(iii) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) Allowance for uncollectable accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(iv) Use of estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period/year.

The difference between the actual results and estimates are recognised in the year in which the results are known/materialise.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(v) Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

(vi) Property, Plant & Equipment

On transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently, Property, Plant and Equipment, other than land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, vehicles, being part of PPE are depreciated on a straight-line method over the shorter of their respective useful lives as prescribed in Schedule -II to the Companies Act, 2013. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Assets	Useful Life
Plant & Machinery	15 years
Factory Buildings	30 years
Furniture and Fittings and Office Equipment	3-10 years
Vehicle	8 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Intangible Asset under development includes cost of development of new intangible assets to complete the assets as at the balance sheet date.

Capital Expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

(vii) Intangible Assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Costs include expenditure that is directly attributable to the acquisition of the intangible assets.

Subsequent Expenditure:

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

Amortization of intangible assets with finite useful lives:

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer Softwares are amortised on straight line basis over the estimated useful lives of 5 years.

(viii) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment and additionally whenever there is a triggering event for impairment. Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount of cash generating units exceeds its recoverable amount.

(ix) Inventories

Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- *Raw materials:* are valued at cost or net realisable value, whichever is lower.
- *Finished goods and work in progress:* Finished goods and work in progress: are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses. The cost of finished goods also includes applicable excise duty.
- *Traded goods:* cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. These are valued at cost or net realisable value, whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(x) Financial Instruments-Initial Recognition, Subsequent Measurement and Impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

(c) Classification:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset, if an entity

transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) *Impairment of Financial assets:*

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) *Initial recognition and measurement:*

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(b) *Classification & Subsequent measurement:*

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(c) *Loans and Borrowings:*

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) *Derecognition of Financial Liabilities:*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(e) *Financial guarantee contract*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial Guarantee contracts issued by a company are initially measured at their fair values and, if not designated as FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments'; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 'Revenue'

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

(xi) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xiii) Borrowing Costs

Borrowing costs directly attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xiv) Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as Current Investments. All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case necessary provision is made.

(xv) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(xvi) Provisions, Contingent Liabilities, Contingent Assets and Commitments

(a) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

(b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(xvii) Share capital and Share Premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

(xviii) Revenue Recognition

(a) Sale of goods

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have passed to the buyer, as per the terms of Company and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods, usually on delivery of the goods. Revenue is recognized at the fair value of consideration received or receivable, net of returns and allowances trade discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty.

(b) Rendering of Services

Sale of services is recognised in the accounting period in which the services are rendered.

(c) Other Income

- *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

- *Dividends*

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(xix) Taxation

(a) Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively

(b) Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(c) Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

(xx) Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(xxi) Earnings per Share

As per Ind AS 33, Earning Per Share, Basic earnings per share are computed by dividing the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

(xxii) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and performance incentives.

Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

Compensated Absences:

"Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from

the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise."

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

(xxii) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under IND AS 24 "Related Party Disclosure" issued by the Institute Chartered Accountants of India.

(xxiii) Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(xxiv) The figures appearing in the Financial Statements is rounded off to the nearest lakh or decimals thereof.

C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7 - Statement of cash flows and Ind AS 102 - Sharebased payment, respectively. The amendments are applicable from 1 April, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equitysettled awards. Market-based performance conditions and non-vesting conditions are reflected in the fair values, but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The requirements of the amendment have no impact on the financial statements as the standard is not applicable to the Company.

D. TRANSITION TO IND AS

The Company has prepared financial statements which comply with Ind AS applicable for period ending on 31 March, 2018, together with the comparative period data as at and for the year ended 31 March, 2017, as

described in the summary of significant accounting policies (note 1 of the financial statements). In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1 April, 2016 ('Transition Date'), the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its financial statements prepared on the basis of the Previous GAAP, including the Balance Sheet as at 1 April, 2016 and the financial statements as at and for the year ended 31 March, 2017 to Ind AS.

(a) Optional exemptions availed

In preparing the financial statements, the Company has applied the below mentioned optional exemptions as prescribed under Ind AS 101 - First-time Adoption of Indian Accounting Standards and applicable from the Transition date:

(i) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost. Accordingly, the Company has opted to consider the carrying value of its PPE as recognised in the Previous GAAP on date of transition as deemed cost.

(ii) Investments in subsidiaries, joint venture and associates

The Company has elected to consider the carrying cost of equity investments in subsidiaries, joint venture and associates as per the Previous GAAP as the deemed cost as at the Transition date.

(iii) Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, joint arrangements and associates) as FVTPL based on facts and circumstances at the date of transition to Ind AS. The Company has opted to avail this exemption to designate certain equity investments as FVTPL on the date of Transition..

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

Note -2 : Property Plant and Equipment

(₹ in Lakh)

	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
Gross Carrying Value							
As at April 1, 2016	1,706.29	2,721.45	890.07	11.25	55.88	105.86	5,490.81
Add : Addition	196.58	653.30	73.31	0.17	37.80	34.65	995.82
Less : Disposals	-	-	-	-	-	-	-
Less : Impairment	-	-	-	-	-	-	-
As at March 31, 2017	1,902.87	3,374.75	963.38	11.42	93.69	140.51	6,486.62
Add : Addition	490.49	754.03	46.63	0.99	33.17	80.66	1,405.97
Less : Disposals	-	7.47	-	-	-	4.47	11.94
As at March 31, 2018	2,393.35	4,121.32	1,010.01	12.41	126.86	216.70	7,880.65
Accumulated Depreciation							
As at April 1, 2016	-	-	-	-	-	-	-
Add : Charge For the year	-	263.17	32.63	1.52	9.77	21.76	328.85
Less : Disposals	-	-	-	-	-	-	-
As at March 31, 2017	-	263.17	32.63	1.52	9.77	21.76	328.85
Add : Charge For the year	-	304.93	35.32	1.54	12.73	31.14	385.66
Less : Disposals	-	2.68	-	-	-	2.12	4.80
As at March 31, 2018	-	565.42	67.95	3.06	22.50	50.78	709.71
Net Block							
As at April 1, 2016	1,706.29	2,721.45	890.07	11.25	55.88	105.86	5,490.81
As at March 31, 2017	1,902.87	3,111.59	930.75	9.90	83.92	118.74	6,157.77
As at March 31, 2018	2,393.35	3,555.90	942.06	9.35	104.36	165.92	7,170.94
Capital Work-in-Progress							
As at April 1, 2016							11.61
As at March 31, 2017							-
As at March 31, 2018							108.25

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018
(₹ in Lakh)

Particulars	Computer Software
Note -3 : Intangible Assets	
Gross Carrying Value	
As at April 1, 2016	0.42
Add : Addition	-
Less : Deletion	-
As at March 31, 2017	0.42
Add : Addition	-
Less : Deletion	-
As at March 31, 2018	0.42
Accumulated Amortization	
As at April 1, 2016	-
Add : Amortization expenses	-
Less : Deletion	-
As at March 31, 2017	-
Add : Amortization expenses	0.42
Less : Deletion	-
As at March 31, 2018	0.42
Net Block	
As at April 1, 2016	0.42
As at March 31, 2017	0.42
As at March 31, 2018	-

The company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 4: Investment in Joint Venture			
Investments in Joint Venture			
Sikka- Salasar - JV	-	-	-
Total	(0.00)	-	-

The Company interest in Joint Venture are accounted for using the equity method in the consolidated financial statements.

Following are details of investment in joint venture:

Particulars	Country of Incorporation	Percentage of ownership interest
Sikka - Salasar -JV	India	49.00%

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at 31 March, 2018, 2017 and 1 April, 2016.

Carrying amount of investment in joint venture

Particulars	As at 31 March 2018	As at 31 March, 2017	As at 1 April, 2016
Opening Carrying value	0.49	-	-
Group's share of profit for the year*	(0.49)	-	-
Closing Carrying value	-	-	-

*The Group has impaired 100% investment during the year ended 31 March 2018.

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 5: Other Financial Assets			
Security Deposits	74.66	67.50	65.53
Unsecured, considered good			
Earnst Money Deposit	38.12	47.48	22.14
Balances with banks to the extent held as margin money	518.02	448.00	-
Total	630.80	562.98	87.67

Note 6: Inventories

Raw Material	1,422.62	1,231.04	1,215.80
Work in Progress			
Goods	5,529.19	3,917.86	1,301.46
Project	310.16	778.75	-
Finished Goods	1,577.21	922.76	1,903.47
Scrap	40.30	18.61	61.44
Consumables	21.75	12.50	8.30
Total	8,901.23	6,881.52	4,490.48

(i) Inventories include goods in transit:

Finished Goods	216.34	-	-
	216.34	-	-

(ii) Inventories have been offered as security against the working capital loans provided by the banks.

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 7: Investments			
Investments other than in Cold Coins measured at fair value through Profit and Loss :			
Quoted :			
Investment in Equity Shares :			
Nil (13,516 as at 31 March 2017, 40,000 as at 01 April 2016) Equity Shares of KEI of Rs. 10 each fully paid up.	-	15.37	49.26
Nil (61,500 as at 31 March 2017, Nil as at 01 April 2016) Equity Shares of Hi-Tech Pipes Ltd. of Rs. 10 each fully paid up.	-	79.43	-
4,000 (8,000 as at 31 March 2017, Nil as at 01 April 2016) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up.	7.04	5.75	-
13,338 (Nil as at 31 March 2017, 1,10,000 as at 01 April 2016) Equity Shares of Rama Steel Tubes Ltd. of Rs. 5 each fully paid up.	23.54	-	101.79
Investment in Mutual Funds :			
BOI AXA Capital Protection Oriented Fund Series -2	-	10.00	10.00
Unquoted			
Gold Bond	1.45	1.45	-
Gold Coin - Bullion (Market Value - 8.61 lacs)	8.56	8.56	8.56
Total	40.59	120.55	169.61
Aggregate book value of unquoted investments	10.00	10.00	8.56
Aggregate amount of quoted investments			
Cost	27.96	119.08	161.05
Market Value	30.58	109.87	149.11
Note 8: Trade Receivables			
Unsecured, considered good	15,162.00	7,970.64	6,257.50
Doubtful	186.01	159.97	-
	15,348.01	8,130.61	6,257.50
Less : Provision for Doubtful Debts	(186.01)	(159.97)	-
Total	15,162.00	7,970.64	6,257.50

(i) Retention money, with UP Power Transmission Corporation Ltd. which will be received on completion of the project, has been shown under other current assets as "Security Deposit" (Refer Note -11).

(ii) Trade receivables are netted with Bill discounting of ₹104.17 (previous year ₹ Nil)

(iii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iv) Movement in allowance for doubtful debts

(₹ in Lakh)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Balance at the beginning of the year	159.97	-
Allowance for doubtful debts	-	-
Provision during the year	56.10	159.97
Reversal during the year	(30.06)	-
Balance at the end of the year	186.01	159.97

(v) Trade receivables have been offered as security against the working capital loans provided by the banks.

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 9: Cash & Cash Equivalents			
Cash on hand	9.99	7.06	23.74
Balance with Banks			
Current Accounts	605.20	15.67	28.56
Total	615.19	22.73	52.30
Note 10: Other Bank Balances			
Balances with banks to the extent held as margin Money*	893.31	614.99	187.10
Earmarked balance with bank - unpaid dividend account	0.44	-	-
Total	893.75	614.99	187.10
*Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			
Note 11: Other Financial Assets			
Interest Accrued on FDR	89.28	45.21	58.51
Security deposit	822.50	1,733.85	-
Security Deposit with NSE	35.87	-	-
Total	947.65	1,779.06	58.51
*Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project.			
Note 12: Current Tax Assets (net)			
Advance Tax/TDS net of Provisions	-	-	5.96
Total	-	-	5.96
Note 13: Other Current Assets			
Advances to Suppliers	550.92	262.47	202.15
Advances for Capital Goods	-	56.47	3.53
Balance with Tax Authorities	340.56	889.49	591.92
Prepaid expenses	132.00	188.60	11.12
Other Receivables	63.11	30.19	47.28
Advances to related parties	1,276.01	-	7.38
Total	2,362.61	1,427.22	863.39

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 14: Equity Share Capital			
Authorised Capital			
1,40,00,000 (1,40,00,000 as at 31 March 2017, 60,00,000 as at 1 April 2016) Equity Shares of Rs. 10/- each	1,400.00	1,400.00	600.00
	<u>1,400.00</u>	<u>1,400.00</u>	<u>600.00</u>
Issued, Subscribed and Paid up Capital			
1,32,85,264 (99,56,300 as at 31 March 2017, 49,78,150 as at 1 April 2016) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	995.63	497.82
Total	<u>1,328.53</u>	<u>995.63</u>	<u>497.82</u>

A. Rights, Preferences and restrictions attached to share

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

B. The Company has issued 49,78,150 Bonus shares (1:1) during the Financial Year 2016-17. There is no Right/ Buy-back of shares in the preceding five years.

C. The Company has issued 33,28,964 Equity Shares at a premium of ₹ 98 per share in pursuant to IPO dated 25-July-2017.

D. Reconciliation of Shares outstanding at the beginning and at the end of year:

Particulars	As at 31 st March, 2018		As at 31 st March, 2017		As at 01 st April, 2016	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	9,956,300	99,563,000	4,978,150	49,781,500	4,978,150	49,781,500
Add: Equity Shares Issued during the year	3,328,964	33,289,640	4,978,150	49,781,500	-	-
Equity Shares outstanding at the end of the year	13,285,264	132,852,640	9,956,300	99,563,000	4,978,150	49,781,500

E. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31 st March, 2018		As at 31 st March, 2017		As at 01 st April, 2016	
	No. of Shares held	% of holding	No. of Shares held	% of holding	No. of Shares held	% of holding
Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	28.87%	1,437,150	28.87%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	12.86%	180,000	3.62%
Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	9.89%	492,500	9.89%
Sh. Alok Kumar	894,000	6.73%	894,000	8.98%	547,000	10.99%
Sh. Shashank Agarwal	710,592	5.35%	710,592	7.14%	782,000	15.71%
Smt. Anshu Agarwal	578,000	4.35%	578,000	5.81%	289,000	5.81%
Smt. Kamlesh Gupta	500,000	3.76%	500,000	5.02%	350,000	7.03%

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 15: Other Equity			
Securities Premium Account	5,488.89	2,385.17	2,882.99
General Reserves			
Retained Earning*	9,081.95	6,275.02	4,408.38
Total	14,570.85	8,660.19	7,291.36
For movement during the period/year in Other Equity, refer 'Statement of Changes in Equity'.			
*Retained Earning includes Other Comprehensive Income.			
Note 16: Borrowings			
Secured			
Term Loan from Bank		-	685.59
Vehicle Loan from Banks	80.87	31.99	27.33
Less: Current Maturities transferred to other financial liabilities	19.82	12.27	329.59
Total (A)	61.05	19.72	383.33
Unsecured			
Loans & advances from related parties	416.42	685.22	746.99
Loans & advances from others	-	-	-
Total (B)	416.42	685.22	746.99
Total (A+B)	477.47	704.95	1,130.32

Term Loan from Bank

- (i) Term loan amounting to ₹ Nil (As at March 31, 2017 ₹ Nil, As at 1 April, 2016 ₹ 275.00 Lakh) Secured by first charge on land, building and plant and machinery situated at factory. The term loan which was repayable by January 2018 has been repaid during FY 2016-17.
- (ii) ₹ Nil (As at March 31, 2017 ₹ Nil, As at April 1, 2016 ₹ 410.59 Lakh secured by first charge on land, building and Plant & Machinery at factory. The term loan which was repayable by March 2018 has been repaid during the year 2016-17.
- (iii) Various Vehicle Loans total amount Rs. 80.87 Lakh (Previous Year Rs. 31.99 Lakh) secured by way of hypothecation of vehicles. Repayable in 36-84 monthly installments commencing from various dates.
- Installment falling due in respect of all the above Loans upto 31.03.2019 have been grouped under "Current Maturities of long term debt" (Refer Note No. 22).

Name of the Party	Nature of Borrowings	Relationship	As at 31 March 2018	As at 31 March, 2017	As at 1 April, 2016
Mr. Alok Kumar	Unsecured Loans	Managing Director		-	3.40
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director	-	178.72	291.55
Mr. Shalabh Agarwal	Unsecured Loans	Director	-	75.00	20.00
Mrs. Anshu Agarwal	Unsecured Loans	Relative of KMP	-	15.09	15.09
Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15	18.15
Hill View Infrabuild Ltd	Unsecured Loans	Associate	398.27	398.27	398.80
			416.42	685.22	746.99

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 17: Other Financial Liabilities			
Security Deposits from Contractor	828.65	750.71	-
Total	828.65	750.71	-
Note 18: Borrowings			
Provision for Gratuity	115.75	78.33	51.74
Provision for Earned Leave Encashment	7.50	11.75	-
Total	123.25	90.07	51.74
Note 19: Deferred Tax Liability (Net)			
Deferred Tax Liabilities :			
Opening Balance	447.21	377.39	324.99
Increase / (decrease) on account of Property, Plant and equipment	(26.66)	68.30	51.75
Increase / (decrease) on account of fair valuation of investments	0.92	-	-
Increase / (decrease) on account of IND AS adjustments	5.19	1.53	0.65
Total (A)	426.65	447.21	377.39
Deferred Tax Assets :			
Opening Balance	240.73	124.86	120.38
Increase / (decrease) on account of Provisions	37.47	68.51	4.48
Increase / (decrease) on account of MAT Credit	(48.62)	47.36	-
Total (B)	229.58	240.73	124.86
Toal (A-B)	197.07	206.49	252.53
Note 20: Other Non-current Liabilities			
Deferred Expenses	147.35	231.55	-
Total	147.35	231.55	-
Note 21: Borrowings			
Secured Loans			
Loan repayable on demand from banks	9,463.18	6,160.45	4,460.73
Un Secured Loans	-	-	-
Loan repayable on demand from banks	775.10	-	-
Loans and advances from others	186.60	-	-
Total	10,424.88	6,160.45	4,460.73

Secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kr. Agarwal and Mr. Shalabh Agarwal Directors of the company have given the personal guarantee to the Bank for Working Capital facilities.

Notes to the Consolidated Financial Statements for the Period Ended 31st March, 2018

(₹ in Lakh)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Note 22: Trade Payables			
Payable to Raw Materials Suppliers	3,201.26	3,410.44	1,569.69
Total	3,201.26	3,410.44	1,569.69
Note 23: Other financial liabilities			
Current Maturities of Long Term Borrowing	19.82	12.27	329.59
Unclaimed dividend	0.44	-	-
Total	20.26	12.27	329.59
Note 24: Provisions			
Provision for Excise Duty on Finished Goods	-	82.50	205.40
Provision for Gratuity	27.54	16.39	18.02
Provision for Earned Leave Encashment	1.04	1.92	-
Total (A)	28.58	100.81	223.42
Note 25: Other Current Liabilities			
Payable for Capital Goods	-	8.16	15.34
Other Payables	4,250.01	3,100.80	1,273.04
Advance from Customers	290.66	151.14	224.88
Capital Advance	175.00	410.00	-
Due to Employees	289.74	186.49	192.51
Statutory Dues	185.25	100.83	68.92
Expenses payable	30.77	27.33	45.88
Total	5,221.43	3,984.75	1,820.57
Note 26: Current Tax Liability (Net)			
Provision for Tax (net of Advance Tax / TDS)	263.44	229.58	50.10
Total	263.44	229.58	50.10

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 27- Revenue from operations (gross)		
Sale of Products		
Finished Goods		
(a) Within India	42,373.38	34,688.89
(b) Outside India	2,359.43	1,090.82
Sale of Services	4,302.72	4,655.23
Other Operating Revenues	1,233.18	1,189.17
Total	50,268.71	41,624.11
Note 28 - Other Income		
Interest on Bank Deposits	74.20	31.25
Gain on fair valuation of investments	2.62	0.79
Interest on other financial assets	44.40	3.82
Profit on sale of Property, Plant and Equipment	2.71	-
Total	123.94	35.86
Note 29 - Cost of Raw Material Consumed		
Opening Stock	1,231.04	1,215.80
Add : Purchases	35,730.44	26,684.22
	36,961.48	27,900.02
Less :- Closing Stock	1,422.62	1,231.04
Total	35,538.85	26,668.98
Note 30 - Changes in Inventories of Finished goods, Work-in-progress and others		
Opening Stock		
Finished Goods	922.76	1,903.47
Work in Progress :		
Goods	3,917.86	1,301.46
Project	778.75	-
Scrap	18.61	61.44
Total (a)	5,637.97	3,266.38
Closing Stock		
Finished Goods	1,577.21	922.76
Work in Progress:		
Goods	5,529.19	3,917.86
Project	310.16	778.75
Scrap	40.30	18.61
Total (b)	7,456.85	5,637.97
Add/(Less):- Variation in excise duty on opening and closing stock of finished goods		
Opening Balance	82.50	205.40
Closing Balance	-	82.50
Total (c)	82.50	122.90
(Increase) / Decrease in Stock (a+b+c)	(1,901.38)	(2,494.50)

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Note 31- Employee benefits expenses		
Salary and Wages	2,113.53	1,294.75
Contribution to Provident Fund & ESI	152.58	97.01
Staff Welfare	30.18	32.84
Total	2,296.29	1,424.60
Note 32: Finance Costs		
Bank Interest	646.04	569.11
Bank Charges	62.80	104.83
Interest to Others	117.37	30.03
Interest on Unsecured Loan	15.47	41.02
Total	841.68	744.99
Note 33 - Other Expenses		
Consumption of Stores and spare parts	1,109.58	857.58
Power & Fuel	754.70	645.49
Labour Processing, Testing and Machinery Hire Charges	348.44	125.97
Installation and Erection Charges	2,751.09	4,678.55
Job Work Charges	63.02	119.11
Repairs to Building	36.63	14.18
Repairs to Machinery	246.56	165.34
Insurance	38.94	25.10
Legal & Professional Charges	1,378.07	825.00
Security Expenses	67.10	51.30
Printing & Stationery	19.32	13.50
Conveyance & Travelling Exp	92.37	74.44
Repair & Maintenance others	57.26	56.01
Rent, Rates & Taxes	207.33	356.18
Corporate Social Responsibility Expenses	47.79	20.80
Postage & Telephone	20.57	16.38
Auditors' Remuneration	4.50	2.52
Freight & Forwarding (net)	358.84	397.75
Commission	119.07	30.04
Packing Material	201.85	122.07
Business Promotion	56.28	27.79
Advertisement	7.35	-
Miscellaneous Expenses	117.24	126.65
Bad Debts Written off	7.75	38.53
Loss on sale of Property, Plant and Equipment	1.10	-
Provision for Dimunition in value of investment	-	11.94
Provision for Doubtful Debts	26.04	159.97
Total	8,138.79	8,962.20

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2018

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
(i) Details of payments to auditors:		
a. Statutory Audit Fees	2.90	1.90
b. Tax Audit fee	2.10	0.40
c. Other Services	0.50	0.22
	<u>5.50</u>	<u>2.52</u>
(ii) Amount required to be spent by the Company during the year on CSR is ₹ 35.94 Lakh (previous year ₹ 23.51 Lakh) whereas the Company has spent ₹ 48.46 Lakh (previous year ₹ 19.23 crore). The Company has spent the following amounts during the year.		
1) Health care and family welfare	24.50	5.75
2) Promotion of Education	23.35	9.76
3) Building of Roads, pathway and bridges	-	3.72
4) Other approved activities	0.61	-
	<u>48.46</u>	<u>19.23</u>
Note 34 : Exceptional Items :		
Profit (Loss) on sale of Shares	25.62	50.83
Total	<u>25.62</u>	<u>50.83</u>
Note 35 : Tax Expenses		
Current Tax		
In respect of the current year	1,430.07	1,054.64
In respect of the prior year	(9.26)	1.99
	<u>1,420.81</u>	<u>1,056.63</u>
Deferred Tax		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(63.97)	(12.13)
Incremental/ (Decremental) Deferred Tax Liability on account of fair valuation of investments	0.92	-
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	2.95	13.59
Deferred Tax Assets on account of MAT Credit	-	(47.36)
	<u>(60.10)</u>	<u>(45.89)</u>
Total	<u>1,360.70</u>	<u>1,010.74</u>
Note 36 : Earnings per Share		
Profit for the period	2,962.10	1,869.40
Weighted average number of Equity Shares outstanding	132.85	99.56
Weighted average number of Diluted Shares outstanding	132.85	99.56
Face Value per share	10.00	10.00
Basic EPS (₹)	24.21	18.78
Diluted EPS (₹)	24.21	18.78

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2018

Note 37 : Segment Information in accordance to AS-17 - 'Segment Reporting'.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Geographical Segment		
a. Sale within India	46,676	39,344
b. Sale outside India	2,359	1,091
Total	49,036	40,435

The Company primarily engaged in manufacturing of Galvanise M.S. Steel Structures and related activities. Information reported to and evaluated regularly by the Coperational Decision Maker (CODM) i.e. Managing Director for the purpose of resouce allocation and assessing performance focuses on the business as whole . The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separte reportable segment as defined by Ind As 108 "Operating Segments".

Note 38 : Related Parties Disclosures

1. Name of Related Parties and Nature of Relationship :

Particulars		
Associates :	Capital Udyog	
	Capital Founder	
	Hill View Infrabuild Ltd.	
Joint Venture	Sikka-Salasar-JV	
Key Management Personnels:	Mr. Alok Kumar (Managing Director)	
	Mr. Shashank Agrawal (Joint Managing Director)	
	Mr. Shashank Agrawal (Joint Managing Director)	
	Mr. Shashank Agrawal (Joint Managing Director)	
Relatives of Key Management Personnels	Mrs. Anshu Agrawal	(Wife of Mr. Shashank Agarwal)
	Mrs. Kamlesh Gupta	(Wife of Mr. Alok Kumar)
	Mr. Shikhar Gupta	(Son of Mr. Alok Kumar)
	Mrs.Taru Agrawal	(Wife of Mr. Shalabh Agarwal)

Note: Related parties relationship is as identified by the company and relied upon by the auditors.

2. Transaction Carried out with related parties referred to in (1) above, in ordinary course of business:

As required by Accounting Standard 18 'Related Party Disclosures' issued by the Institute of Chartered Accountant of India, since CFS presents information about the Parent and its subsidiary as a single enterprise, it is not necessary to disclose intra-group transactions.

Nature of Transactions	Associates / Joint Ventures	Key Management	Relatives
Purchases of Goods			
Capital Udyog	2.96 (0.31)	- (-)	- (-)
Capital Founder	0.16 (-)	- (-)	- (-)
Job Work Expenses			
Capital Udyog	- (7.34)	- (-)	- (-)

Directors Remuneration			
Sh. Alok Kumar	- (-)	66.00 (20.50)	- (-)
Sh. Shashank Agarwal	- (-)	60.00 (16.25)	- (-)
Sh. Gyanendra Kumar Agarwal	- (-)	24.00 (18.00)	- (-)
Sh. Shalabh Agarwal	- (-)	48.00 (16.25)	- (-)
Ms. Tripti Gupta	- (-)	42.00 (14.70)	- (-)
Mrs. Kamlesh Gupta	- (-)	18.00 (6.25)	- (-)
Mr. Shikhar Gupta	- (-)	24.00 (6.25)	- (-)
Mr. Raghav Agarwal	- (-)	18.00	- (-)
Salary			
Mrs. Kamlesh Gupta	- (-)	- (-)	- (5.08)
Mr. Shikhar Gupta	- (-)	- (-)	- (6.65)
Mrs. Anshu Agarwal	- (-)	- (-)	18.00 (10.08)
Mrs. Taru Agarwal	- (-)	- (-)	18.00 (10.08)
Lease Rent -Car			
Sh. Shashank Agarwal	- (-)	5.40 (2.25)	- 3.15
Sh. Shalabh Agarwal		6.60 (4.15)	- (-)
Mrs. Anshu Agarwal	- (-)	- (-)	3.00 (1.50)
Mrs. Kamlesh Gupta	- (-)	1.80 (-)	0.75
Loans and Advances Received			
Sh. Shalabh Agarwal	- (-)	- (55.00)	- (-)
Loans and Advances Given			
Sikka-Salasar -JV	1,276.01 -	- (-)	- (-)
Interest Paid			
Sh. Shashank Agarwal	- (-)	- (31.80)	- (-)
Sh. Shalabh Agarwal	- (-)	- (7.50)	- (-)

* Figures in braket represent previous year amount.

3. Balance outstanding at the end of the year.

(₹ in Lakh)

Particulars	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Payables		
Mr. Shashank Agarwal	-	178.72
Mr. Shalabh Agarwal	-	75.00
Hill view Infrabuild Ltd	398.27	398.27
Capital Udyog	-	5.60
Mrs. Anshu Agarwal	-	15.09
Mrs. Taru Agarwal	18.15	18.15
Receivables		
Sikka- Salasar-JV	1,276.01	-

Note 39 : Micro, Small and Medium Enterprises.

Information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

Note 40 : Contingent Liabilities and commitments (to the extent not provided for).

(₹ in Lakh)

Particulars	As at 31 March 2018	As at 31 March, 2017
Bank Guarantee for which FDR margin has been given to the bank as security	7,738.21	1,333.56
Corporate Guarantee to Punjab National Bank, Sector - 27, NOIDA for its 100% subsidiary - Salasar Stainless Ltd.	-	3,200.00
Corporate Guarantee to Bank of India and HDFC Bank Ltd for loan taken by holding company M/s. Salasar Techno Engineering Ltd	16,500	-
Entry Tax, UP VAT and Central Tax, for the FY 2012-13 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP)	77.68	77.68

The company does not expect any outflow of resources in respect of the above

Note 41 : First Time Ind AS Adoption Reconciliations:

An explanation of how the transition from the Previous GAAP to Ind AS has affected the Company's Balance Sheet, other equity, Statement of Profit and Loss and other comprehensive income and Cash Flows is set out in the following tables and notes that accompany the tables.

1. Effect of Ind AS adoption on the Standalone Balance Sheet as at 31st March, 2017 and 1st April, 2016

Particulars	As at 31 st March, 2017			As at 1 st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-current Assets						
Property, Plant and Equipment	7,170.94	-	7,170.94	5,490.81	-	5,490.81
Capital Work -in- Progress	108.25	-	108.25	11.61	-	11.61
Goodwill on Consolidation	-	-	-	2.50	-	2.50
Intangible Assets	-	-	-	0.42	-	0.42
Financial assets	-	-	-	-	-	-
(a) Investments	-	-	-	-	-	-
(b) Other financial asset	630.80	-	630.80	87.67	-	87.67

Particulars	As at 31 st March, 2017			As at 1 st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
Current Assets	-	-	-	-	-	-
Inventories	8,901.23	-	8,901.23	4,490.48	-	4,490.48
Financial Assets	-	-	-	-	-	-
(a) Investments	40.59	-	40.59	169.61	-	169.61
(b) Trade Receivables	15,162.00	-	15,162.00	6,257.50	-	6,257.50
(c) Cash and Cash Equivalent	615.19	-	615.19	52.30	-	52.30
(d) Bank balances other than (c) above	893.75	-	893.75	187.10	-	187.10
(e) Other financial assets	947.65	-	947.65	58.51	-	58.51
Current tax assets (Net)	-	-	-	5.96	-	5.96
Other current assets	2,362.61	-	2,362.61	863.39	-	863.39
TOTAL ASSETS	36,833.01	-	36,833.01	17,677.85	-	17,677.85
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	995.63	-	995.63	497.82	-	497.82
Other Equity	14,570.85	-	14,570.85	7,291.36	-	7,291.36
Liabilities						
Non-current Liabilities						
Financial Liabilities						
(a) Borrowings	477.47	-	477.47	1,130.32	-	1,130.32
(b) Other Financial Liabilities	828.65	-	828.65	-	-	-
Provisions	123.25	-	123.25	51.74	-	51.74
Deferred Tax Liabilities (Net)	197.07	-	197.07	252.53	-	252.53
Other Non-current Liabilities	147.35	-	147.35	-	-	-
Current Liabilities						
Financial Liabilities						
(a) Borrowings	10,424.88	-	10,424.88	4,460.73	-	4,460.73
(b) Trade Payables	3,201.26	-	3,201.26	1,569.69	-	1,569.69
(c) Other Financial Liabilities	20.26	-	20.26	329.59	-	329.59
Provisions	28.58	-	28.58	223.42	-	223.42
Other Current Liabilities	5,221.43	-	5,221.43	1,820.57	-	1,820.57
Current Tax Liability (Net)	263.44	-	263.44	50.10	-	50.10
TOTAL EQUITY AND LIABILITIES	36,500.12	-	36,500.12	17,677.85	-	17,677.85

2. Reconciliation of Total Comprehensive Income and Other Equity between Ind AS and Previous GAAP.

(₹ in Lakh)

Particulars	Profit	Other Equity	
	Year ended 31 st March, 2017	Year ended 31 st March, 2017	Year ended 1 st April, 2016
Net Profit/ Other Equity as per Previous Indian GAAP	1,875.89	8,666.94	7,291.36
Effects of transition of IND AS			
Actuarial Gain/Loss on employees benefit recognised in the Other Comprehensive Income (net of tax)	(0.26)	(0.26)	1.22
Actuarial Gain/Loss on employees benefit recognised in the Profit & Loss A/c (net of tax)	0.26	0.26	(1.22)
Investment in Equity Shares fair value as per IND AS 109 (net of tax)	(8.53)	(8.53)	-
Discounting of Security Deposit received and corresponding impact on service cost/interest expense (net of tax)	1.79	1.79	-
Total Comprehensive Income/Other Equity under IND AS	1,869.15	8,660.20	7,291.36

3. Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017.

Particulars	Year ended 31 st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from Operations	41,624.11	-	41,624.11
Other Income	35.07	0.79	35.86
Total Revenue	<u>41,659.18</u>	<u>0.79</u>	<u>41,659.97</u>
EXPENDITURE			
Cost of Materials Consumed	26,668.98	-	26,668.98
Purchases of Traded Goods	-	-	-
Changes in Inventories of Finished Goods, Work-in-progress and others	(2,494.50)	-	(2,494.50)
Excise Duty on Sale of Goods	3,195.54	-	3,195.54
Employee Benefits Expenses	1,425.01	(0.16)	1,424.85
Finance Costs	726.68	18.31	744.99
Depreciation and Amortization Expenses	328.85	-	328.85
Other Expenses	8,971.30	(9.11)	8,962.20
Total Expenses	<u>38,821.86</u>	<u>9.05</u>	<u>38,830.91</u>
Profit before Exceptional Items & Taxes	2,837.32	(8.26)	2,829.06
Exceptional Items	48.21	2.62	50.83
Profit Before Tax	<u>2,885.53</u>	<u>(5.64)</u>	<u>2,879.89</u>
Tax Expenses			
Current Tax	1,056.63	-	1,056.63
Deferred Tax	(46.98)	1.09	(45.89)
Profit for the Year	<u>1,875.88</u>	<u>(6.73)</u>	<u>1,869.15</u>

4. Explanation of material adjustments to Statement of cash flow for the year ended 31 March, 2017:

There are no material adjustments to Statement of Cash Flows as reported under the Previous GAAP except for increase in cash from investing activities and corresponding decrease in cash and cash equivalents of ₹ 383.18 Lakh for the year ended 31 March, 2017.

5. Notes to reconciliations:

(a) Fair valuation of investments

FVTPL Investments

In respect of FVTPL investments, fair value adjustment under Ind AS has resulted in an decrease in profit before tax under Ind AS by ₹ 8.53 Lakh for the year ended 31 March, 2017.

(b) Remeasurements of defined benefit plans

Under the Previous GAAP, actuarial gains and losses, are charged to profit or loss, however under Ind AS, they form part of remeasurement of defined benefit liability/asset and are recognised in OCI. As a result ₹ 0.41 Lakh have been recognised in the OCI net of tax, for the year ended 31 March, 2017.

(c) Discounting of Security Deposit

In respect of Security Deposit, discounting adjustment under Ind AS has resulted in an increase in profit before tax under Ind AS by ₹ 2.74 Lakh for the year ended 31 March, 2017.

4. Deferred tax

Various transitional adjustments resulted in temporary differences between taxable profits and accounting profits. Tax adjustments includes deferred tax impact on account of difference between the Previous GAAP and Ind AS on the adjustments discussed above in notes 1 to 3.

Note 41: Balances under the head loans and advances, sundry debtors, sundry creditors are relied upon and subject to reconciliation and confirmation.

Note 42: In the opinion of the Board of Directors, all the Known liabilities and expenses have been provided in the books of accounts.

For ARUN NARESH & CO.
Firm Registration No. 007127N
Chartered Accountants

CA. Arun Kumar Jain
Partner
M. No. 084598
Place: New Delhi
Date : 22nd May, 2018

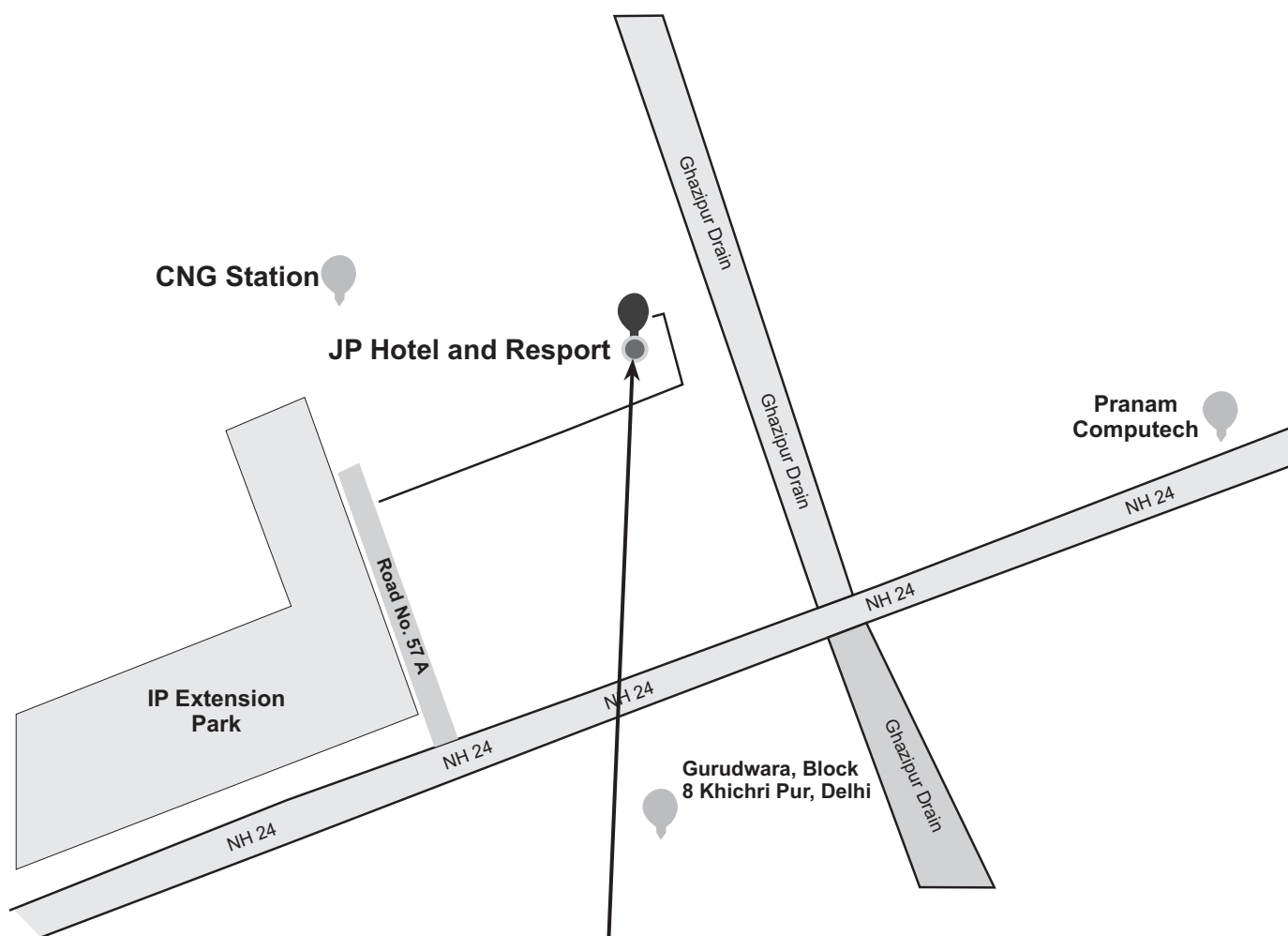
for and on behalf of Board of Directors

Alok Kumar
Managing Director

Shashank Agarwal
Jt. Managing Director

Kamlesh Kr. Sharma
(Chief Financial Officer)

Rahul Rastogi
(Company Secretary)



VENUE OF ANNUAL GENERAL MEETING

SALASAR TECHNO ENGINEERING LIMITED

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