



Vaswani Industries Limited

POWER • SPONGE IRON • STEEL
CIN - L28939CT2003PLC015964



VIL/SECRETARIAL/2018-19

31st October, 2018

BY LISTING PORTAL

Listing Department National Stock Exchange of India Ltd, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra, Kurla Complex, Bandra (East), Mumbai, 400 051	Bombay Stock Exchange Ltd Listing Department Market operations department P. J. Towers, 25 th Floor, Dalal Street, Mumbai (Maharashtra) 400 001
--	---

Dear Sirs,

**SUBMISISON OF ANNUAL REPORT - IN TERMS OF REGULATION 34 OF THE SEBI
(LODR) REGULATIONS, 2015**

This is to inform you that 15th Annual General Meeting (Meeting) of the members of the Company was duly convened on 30th October, 2018 at 03.00 AM at Bahesar Road, Near Cycle Park, Vill -Sondra Phase-II, Industrial Area, Siltara Raipur (C. G.) 493221.

Further we would like to submit that Annual Report was duly adopted by the shareholders in their meeting and the same is submitted to the stock exchange in compliance of the Regulation 34 of the SEBI (LODR) Regulations, 2015.

We request you to take the submission on record and publish the information on the official website of the exchange.

Yours faithfully,
For, Vaswani Industries Limited

Ragini Shukla
(Ragini Shukla)

Company Secretary & Compliance Officer



Corporate Profile	2-3
Chairman's Statement	4
Our Competitive Strengths	5-6
Notice of Annual General Meeting	7-13
Directors' Report	14-22
Form MR-3, Secretarial Audit Report	23-24
Extract of Annual Return – MGT 9	25-34
FORM AOC 1 -Subsidiaries or Associate Companies or Joint Ventures	35
Form AOC 2 – Related party transactions	36
Nomination And Remuneration Policy	37
Details Pertaining To Remuneration	38-39
Management Discussion & Analysis Report	40-42
Report on Corporate Governance	43-51
Independent Statutory Auditors' Certificate on Corporate Governance	52
Independent Secretarial Auditors' Certificate on Corporate Governance	53
CEO/CFO Certification	54
Declaration from Independent Directors on Annual Basis	55
Independent Auditors' Report	56-62
Balance Sheet	63
Statement of Profit & Loss	64
Cash Flow Statement	65
Notes to Financial Statement	66-94
Attendance Slip	95
Proxy Form	96
Route Map for the venue of the Annual General Meeting	97

Important Communication to Members

Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with Link Intime India Private Limited. The Company is providing e-voting facility to all members to enable them to cast vote electronically to all resolutions set forth in the notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are annexed to the notice.

Annual General Meeting will be held at 3.00 p.m. on Tuesday, the 30th October, 2018 at Bahesar Road, near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Shareholders are requested to bring their copies to the meeting. Visit us at : www.vaswaniindustries.com, e-mail : info@vaswaniindustries.com
 • Tel.: +91 771 4226067 • Fax : +91 771 4226099

CORPORATE PROFILE

Performance Highlights 2017-18

Financial

(Rs. in lacs)

Total Revenue	23,779.08
Profit Before Tax	252.99
Profit After Tax refund adjustment	450.77
Earning Price Per Share (EPS) - Basic & Diluted	1.50

Operational

Particulars	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Installed capacity					
Sponge Iron MT	90000	90000	90000	90000	90000
Steel Billets/Ingots MT	66000	66000	36000	36000	36000
Power MW	11.5	11.5	11.5	11.5	11.5
Production					
Sponge Iron MT	61910.050	78100.39	50554.73	59943.09	50266.00
Steel Billets/Ingots MT	45597.825	56151.699	75165.00	47524.40	44104.030
Power in UNITS	63149900	66332400	66886200	65208200	65372200

CORPORATE PROFILE

CIN: L28939CT2003PLC015964

BOARD OF DIRECTORS

Mr. Ravi Vaswani	Chairman & Managing Director (CMD)
Mr. Yashwant Vaswani	Whole Time Director (WTD)
Mr. Pawan Kumar Jha	Additional Director
Mrs. Sudha Vaswani	Additional Director
Mr. Lekhu Thadharam Mulchandani	Non- Executive & Independent Director
Mr. Ashok Suri	Non- Executive & Independent Director
Mr. Sanjay Jadwani	Non- Executive & Independent Director
Mrs. Satyawati Parashar	Non- Executive & Independent Director

COMMITTEES OF THE BOARD

I . AUDIT RISK MANAGEMENT AND VIGIL COMMITTEE		
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman	
Mr. Ashok Suri - Independent Director	Member	
Mr. Sanjay Jadwani – Independent Director	Member	
Mr. Yashwant Vaswani – Whole-time Director	Member	
II. NOMINATION & REMUNERATION COMMITTEE		
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman	
Mr. Ashok Suri – Independent Director	Member	
Mr. Sanjay Jadwani – Independent Director	Member	

III. STAKEHOLDERS RELATIONSHIP COMMITTEE	
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman
Mr. Ashok Suri - Independent Director	Member
Mr. Pawan Kumar Jha – Director	Member
IV. RISK MANAGEMENT COMMITTEE	
Mr. Ravi Vaswani – Managing Director	Chairman
Mr. Yashwant Vaswani – Whole-time Director	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Ragini Shukla

STATUTORY AUDITORS	COST AUDITORS	SECRETARIAL AUDITORS	INTERNAL AUDITORS
M/s Amitabh Agrawal & Co., Chartered Accountants, 109, Wallfort Ozone, Fafadih Chowk, Raipur (C. G.) 492001	Sanat Joshi & Associates Cost Accountants " Prem Poorn", Pt. Din Dayal Upadhyay Nagar, Akash Gas Godown Road, P.O. Gudhiary, Raipur (C. G.) 492011	Satish Batra & Associates, Company Secretaries, 2nd Floor, Ashoka Plaza, Ashoka Ratan, Vidhan Sabha Marg, Shankar Nagar, Raipur (C. G.) 492007	Agrawal Jain & Co., Chartered Accountants, Near Dr. Farista, Besides SBI Zonal Office, Civil Lines, Raipur (C. G.) 492001

BANKERS

State Bank of India (SBI), Raipur	Indusind Bank Limited, Raipur	IDBI Bank Limited (IDBI), Raipur
-----------------------------------	-------------------------------	----------------------------------

LISTED IN STOCK EXCHANGES

REGISTRAR & SHARE TRANSFER AGENTS

NATIONAL STOCK EXCHANGE, MUMBAI BOMBAY STOCK EXCHANGE, MUMBAI	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400083
--	---

REGISTERED OFFICE

Bahesar Road, near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221

CHAIRMAN'S STATEMENT

The year 2017-18 showed an economy recover after several years for companies engaged in Iron & Steel manufacturing. The Indian economy came out from bad times. The government is increasing penalties and amending the law at a very fast speed. The results of current year are quite encouraging.

As I said last year, I repeat it as that there is no significant change. A lot of hope was pinned on the new Government at the Centre to bring about much needed policy initiatives and systemic changes which alone would have brought the required equilibrium followed by growth trajectory. Regrettably, these have not so far been eased out with the required speed and the problems continue festering.

One good step the government has taken is the introduction of Goods & Service Tax in place of multiple taxes and the abolition of Vat barriers which will give speed to movement of goods and result in lower transport cost. Our domestic costs are higher as compared to foreign countries like China. One hopes many of the teething problems on implementation of GST will be resolved by the government soon.

During the year under review some of the operational achievements. Sales turnover at Rs. 237.32cr is lower by 7.11% as compared to Rs. 255.51cr in the previous year.

The material cost during the current year is Rs.152.85cr is lower by 5.00% as compared to Rs.160.90cr of previous year.

Manufacturing expenses during the current year is Rs.35.85cr and is higher by 6.76% as compared to Rs.33.58cr of previous year.

Employees Remuneration & benefits during the current year is Rs.3.60cr as compared to Rs.3.37cr of previous year and there is increase of 6.93%.

Administrative & Other Expenses during the current year are at Rs.3.83cr and are higher by 18.95% as compared to Rs.3.23cr in the previous year.

Depreciation during the current year was Rs.5.39cr and is lower by 6.09% as compared to Rs.5.74cr of previous year.

Coming to the profit for the current year, the members will be pleased that the company has earned after tax at Rs.4.50cr as compared to Rs.1.77cr of previous year and is higher at 154.23%, an all time record.

I sincerely place on record my thanks to our strategic employees, bankers and all stakeholders for their support and the faith reposed in us during these tough times and we assure all that we will work towards our goal with renewed and dedicated commitment.

RAVI VASWANI
CHAIRMAN

(This does not purport to be a part of the proceedings of the annual general meeting.)

OUR COMPETITIVE STRENGTHS

<i>Management Expertise</i> Promoters are in trading & steel manufacturing business for last more than two decades. They have track records of profits. They have, over the years, gained experience in setting up and operating integrated steel plants. The promoters established competitive position of the Company in the local markets. The Company enjoys an established customer base and a supplier network in Uttaranchal, Chhattisgarh, Maharashtra, and Madhya Pradesh. In addition to our Promoters, Company has a professionally managed team with technical experts in their respective fields.		<i>Business Strategy</i> The key components of our strategy to drive profitable growth and to maximize value are to continuously enhance customer satisfaction, attract & retain qualified employees, maintain stringent standards of environmental safety and corporate responsibility. Keeping in view the above, your Company continues to follow certain proved strategies to take its market share and keep improving .below:
Mr. Ravi Vaswani	is the Managing Director of our company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He has an experience of steel business for more than 3 decades. As he entered the industry at an early age, he got a good grass root experience. He has achieved extensive knowledge in trading and marketing of sponge iron, steel billets/ingots and responsible for the day to day operations of our company	<i>Sales and Marketing</i> We constantly keep reviewing our position and make all efforts to consolidate our position in Chhattisgarh and penetrate in Northern, Western and Eastern parts of the country. In parallel, we also strive to build credible long term relations full of mutual understanding.
Mr. Yashwant Vaswani	is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwaliti Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.	<i>Continued focus on consistently meeting quality standards</i> Zero error is our motto. This has resulted in creating a reputation with our suppliers. We follow this policy consistently and supply quantity without compromising on the quality and delivery schedules.
<i>Cordial Relationship between management and labour</i> Your Company continues to enjoy cordial relations with our employees and there has been no union of employees. Further, there have been no strikes, lock-out or any labour protest in our Company since its incorporation.		<i>Mix of Organic and Inorganic Models of Growth</i> Over the past few years we are following a combination of organic and inorganic models to help us grow. We may go for strategic acquisitions in leveraging complementary skills to capture market opportunities as well to accelerate growth.
<i>Expected High Operating Efficiency</i> The Company's steel plant is fully integrated. The sponge iron manufactured by us is used as raw material to manufacture Mild Steel Billets/Ingots.		<i>Training and Motivating Our Work Force</i> Your Company will continue the policy of training of the work force with adequate product knowledge, market knowledge and above all the application of knowledge. We shall always focus on narrowing the hierarchy for free and transparent two-way communication between management and employees for better exchange of ideas, views and opinions for maintaining good competitive work atmosphere at all levels.
		<i>Our Vision</i> Our vision is to make VIL a trusted brand name by creating a distinct status for ourselves in the Integrated Steel business, driving growth through both organic & inorganic initiatives. We believe in meeting expectations of all stake holders, members; employees; suppliers; customers and others associated with us.
		<i>Business Model</i> ❖ Key Activities: Mild Steel Billets/ Ingots manufacturer

Thus, the finished product of one unit acts as a raw material for the other unit. The current power capacity is meeting the power requirements and as well as the surplus is being sold to the private power companies as well as State Electricity Board. Due to integration, our company as a whole has been able to reduce its cost of production. Your company can sustain/absorb adverse market situation during cyclical recession. The steel industry is highly power-intensive and captive power generation plant, which has low cost per unit, is leading to significant cost saving and adding to profitability.	❖ Key Resources: Sponge Iron, Captive Power Plant ❖ Customers Relationship: Product excellence, on time delivery and customer services ❖ Channels: Government authorities, Semi-government authorities ❖ Cost structure: Based on Government Rules and Regulations
<i>Captive Power Plant</i> Steel industry is power intensive industry. Power plays an important factor. Considering the power requirements of our existing manufacturing facilities, your Company has increased the generation capacity from 7.5 MW to 12 MW from Waste Heat Recovery Boiler to meet the present requirement of power as well as to sell off the surplus through private power companies and State Electricity Board. Captive power plant gives us the stable and uninterrupted power supply which is very crucial in manufacturing of our products. Uninterrupted power supply helps to avoid any delays in manufacturing process thereby ensuring complete utilization of our capacities.	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Fifteenth Annual General Meeting of Company Vaswani Industries Limited [CIN: L28939CT2003PLC015964] will be held at 03:00 P.M. on Tuesday, the 30th October, 2018 at Registered Office of the Company situated at Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt financial statement containing the Directors Report, Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss, Cash Flow, Related Party Transactions and Notes to the Financial Statements for the period ended 31st March, 2018 forming part of the Accounts for the year 2017-18, and the Reports of the Independent Auditors thereon.
2. M/s. Amitabh Agrawal & Co., Chartered Accountants were appointed as auditors of the Company in the extra-ordinary general meeting held on 29th May, 2018, and hold office upto the conclusion of the ensuing annual general meeting. M/s. Amitabh Agrawal & Co., Chartered Accountants, are willing to act as auditors of the Company and are eligible to act as auditors as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 and to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and 142 other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Amitabh Agrawal & Co, Chartered Accountants (ICAI Firm Registration No. 006620C) be and are hereby appointed as Statutory Auditors of the Company to hold office for a consecutive period of five years from conclusion of 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting at such remuneration as shall be fixed mutually by the Audit Committee in consultation with Auditors and Board of Directors of the Company."

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

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions if any of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration, as recommended by Audit Committee and approved by Board of Directors of the Company as set out in the statement annexed to this notice, to be paid to the Cost Auditors M/s. Sanat Joshi & Associates Cost Accountants, Raipur (ICMAI Firm Registration no. 005960C) who were appointed by the Board of Directors to conduct the audit of cost record of the Company for the F. Y. ending on 31st March, 2019, be and is hereby ratified."

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

"RESOLVED THAT pursuant to provisions of Section 152(6)(c) and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Yashwant Vaswani (DIN 01627408), who retires by rotation and being eligible has offered himself for reappointment be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

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

"RESOLVED THAT Smt. Sudha Vaswani (DIN: 02909309), who was appointed an Additional Director of the Company with effect from 6th January, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) and is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr Lekhu Thadaram Mulchandani (DIN No. 02801146) who is being reappointed as Independent Director and has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for second term of consecutive five (5) years with effect from the conclusion of the ensuing annual general meeting, and shall not be liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification, the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr Ashok Kumar Suri (DIN No. 00291897) who is being reappointed as Independent Director and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and is eligible for appointment and in respect of whom the company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for second term of consecutive five (5) years with effect from the conclusion of the ensuing annual general meeting, and shall not be liable to retire by rotation."

By order of the Board of Directors
For **Vaswani Industries Limited**
SD/-

Ragini Shukla
(Company Secretary & Compliance Officer)

Place: Raipur (C. G.)
Date: 29/09/2018

Notes:

- 1) A member entitled to attend and vote at the annual general meeting (the "meeting") is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
- 2) Register of Members and Share Transfer Book of the Company will remain closed from; 23.10.2018 to 30.10.2018 (both days inclusive).
- 3) Members who are holding Equity shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
- 4) Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
- 5) Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting venue. However, entry to attend the Meeting will be strictly on the basis of the entry slip available at the counters at the venue and to be exchanged with attendance slip.
- 6) Members will not be distributed any gift, compliment or kinds of such nature at the ensuing Annual General Meeting of your Company.
- 7) To prevent fraudulent transactions, 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. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 8) 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 9) Details Regulation 36(3) of the SEBI (LODR) Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- 10) Electronic copy of the Annual Report for 2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018 are being sent.
- 11) Electronic copy of the Notice of the 15th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 15th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the prescribed mode.
- 12) Members may also note that the Notice of the 15th Annual General Meeting and the Annual Report for 2018 will also be available on the Company's website www.vaswaniindustries.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Raipur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: complianceofficer@vaswaniindustries.com.
- 13) Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 15th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "Vaswani Industries Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID

and password/PIN for e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Vaswani Industries Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to complianceofficer@vaswaniindustries.com with a copy marked to satishbatra6@gmail.com.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM: EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 27th October, 2018 (9:00 am) and ends on 29th October, 2018(5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd October, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 23rd October, 2018.
- VII. Mr. Satish Kumar Batra, Practising Company Secretary (Membership No. 1316/ CP 2875) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

By order of the Board of Directors
For **Vaswani Industries Limited**

SD/-
Ragini Shukla
(Company Secretary & Compliance Officer)

Place: Raipur (C.G.)
Date: 29/09/2018

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM 3:

COST AUDITOR

Pursuant to Section 148 of the Companies Acts, 2013, the Board of Directors appointed M/s Sanat Joshi & Associates was appointed as Cost auditor of the Company in their meeting held on 30th May, 2018 duly recommended by the Audit committee. The Board has approved a remuneration of Rs. 40,000.00 in consultation with Audit committee and Cost Auditors.

As per the provision of the Companies Act the above mentioned remuneration payable to the Cost Auditors required approval from the members of the Company.

Therefore, the Board commends the Ordinary Resolution set out at Item No.3 for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution at Item No.3 of the Notice.

ITEM 5:

APPOINTMENT OF SMT. SUDHA VASWANI AS EXECUTIVE DIRECTOR

Smt. Sudha Vaswani who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 6th January, 2018 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Director.

Smt. Sudha Vaswani is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Smt. Sudha Vaswani as Executive Director, for the approval by the shareholders of the Company.

Except Smt. Sudha Vaswani, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

ITEM NO. 6 & 7:

APPOINTMENT OF INDEPENDENT DIRECTORS

The Board of Directors of the Company ('the Board') at the meeting held on 1st September, 2018 on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the appointment of Mr. Lekhuchand T Mulchandani and Mr. Ashok Suri as Independent Directors of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act') and any amendments thereto or modification thereof, as set out in the Resolutions to their respective appointment.

Mr. Lekhuchand T Mulchandani

He is an under graduate (Commerce) by qualification. He began his career in the Insurance Industry in 1966 as an advisor and has scaled the career ladder since then. He was the youngest Class I officer in LIC and received various awards as a top performing agency manager. Having travelled extensively he has studied and submitted his notes on all private insurance companies operating in various countries. He has been a speaker at the two prime training institutes in India namely, 'Management Development Centre and 'The National Insurance Academy'. At present, he is running his own institute which imparts training to advisors to insurance companies.

Following are companies in which he is interested:

Sr.No	Name of the Company	Designation
1.	Vaswani Industries Limited CIN: L28939CT2003PLC015964	Independent Director
2.	Space Education and Training Academy Limited CIN: U66010MH2006PLC161429	Director

He has already served a term of consecutive two years as Independent Director on the Board of the Company and the term is expiring at the ensuing Annual General Meeting after the commencement of Companies Act, 2013. Nomination and Remuneration committee (NRC) has duly evaluated her performance and found it satisfactory and has recommended that her services should be availed for the second term.

Therefore, NRC has recommended her reappointment for a second term of consecutive five (5) years commencing from the conclusion of the ensuing Annual General Meeting.

The Board commends the Special Resolution set out at Item No.6 for approval by the Members.

Except Mr. Lekhuchand T Mulchandani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Mr. Ashok Suri

He is a Science Graduate by qualification. He is engaged in the business of trading in Iron & Steel. His experience in the business has been helpful in the operations of our company.

Following are companies in which he is interested:

Sr.No	Name of the Company	Designation
1.	Vaswani Industries Ltd. (CIN- L28939CT2003PLC015964)	Independent Director
2.	Suri Ventures Pvt. Ltd. (CIN- U27106CT2005PTC017669)	Director

He has already served a term of consecutive two years as Independent Director on the Board of the Company and the term is expiring at the ensuing Annual General Meeting after the commencement of Companies Act, 2013. Nomination and Remuneration committee (NRC) has duly evaluated her performance and found it satisfactory and has recommended that her services should be availed for the second term.

Therefore, NRC has recommended her reappointment for a second term of consecutive five (5) years commencing from the conclusion of the ensuing Annual General Meeting.

The Board commends the Special Resolution set out at Item No.7 for approval by the Members.

Except Mr. Ashok Suri, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

1. Mr. Yashwant Vaswani –(seeking reappointment)

Mr. Yashwant Vaswani is a under commerce graduate. He has been associated with the Company since 2004 and has gained extensive knowledge and experience in the field of Trading and marketing of sponge iron and steel billets/ingots.

Disclosure of relationships between directors inter-se

Son of Mr. Ravi Vaswani, MD

Listed Companies (other than Vaswani Industries Limited) in which Mr. Yashwant Vaswani holds directorship and committee membership

DIRECTORSHIP & Membership of the Committees

NIL

Shareholding in the Company

Holds 2910840 eq. shares of Re.10/- each

2. Mr. Lekhuchand T Mulchandani - (seeking reappointment as Independent Director)

He is an under graduate (Commerce) by qualification. He began his career in the Insurance Industry in 1966 as an advisor and has scaled the career ladder since then. He was the youngest Class I officer in LIC and received various awards as a top performing agency manager. Having travelled extensively he has studied and submitted his notes on all private insurance companies operating in various countries. He has been a speaker at the two prime training institutes in India namely, 'Management Development Centre and 'The National Insurance Academy'. At present, he is running his own institute which imparts training to advisors to insurance companies.

Disclosure of relationships between directors inter-se

NIL

Listed Companies (other than Vaswani Industries Limited) in which Mr. Lekhuchand T Mulchandani holds directorship and committee membership

NIL

Shareholding in the Company

NIL

3. Mr. Ashok Suri - (seeking reappointment as Independent Director)

Mr. Ashok Suri is a Science Graduate by qualification. He is engaged in the business of trading in Iron & Steel. His experience in the business has been helpful in the operations of our company.

Disclosure of relationships between directors inter-se

NIL

Listed Companies (other than Vaswani Industries Limited) in which Mr. Ashok Suri holds directorship and committee membership

NIL

Shareholding in the Company

NIL

By order of the Board of Directors
For **Vaswani Industries Limited**

SD/-
Ragini Shukla
(Company Secretary & Compliance Officer)

Place: Raipur (C.G.)
Date: 29/09/2018

DIRECTORS' REPORT

The Directors take pleasure in presenting the Fifteenth Annual Report on the business and operations of the company and its financial results for the year ended on 31st March, 2018.

1. FINANCIAL RESULTS

Financial Results of the Company for the financial year under report are summarized below for your consideration:

(Rs. in Lacs)

PARTICULARS	31-03-2018	31-03-2017
REVENUE FROM OPERATIONS	23779.08	25551.05
PROFIT BEFORE INTEREST AND DEPRECIATION	1664.87	1663.96
FINANCE COST	872.56	924.14
DEPRECIATION	539.32	574.47
NET PROFIT BEFORE TAX	252.99	165.37
TAX EXPENSES	(197.78)	(11.61)
NET PROFIT AFTER TAX	450.77	176.99
TRANSFER TO GENERAL RESERVE	45.07	17.70
TRANSFER TO PROFIT & LOSS ACCOUNT	405.70	159.29

2. PERFORMANCE REVIEW

During the year under review, your Company has achieved profit of Rs. 450.77 lacs after meeting all expenses and taxes, as compared to Rs. 176.97 lacs during the previous year. There is a significant growth of 154% over the previous year. The company has gained profit due to decrease in cost of the raw materials, stores and consumables, fuel and power cost. It is significant to note that the directors have fulfilled their assurance given in the last year's report of improving the situation and bring more profit in the current year.

3. FUTURE PROSPECTS

Barring any unforeseen circumstances, the company hopes not only to maintain its current level of operations and to further improve thereon.

4. INDIAN ACCOUNTING STANDARD

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to prescribed Listed Companies from April 1, 2017. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from April 1, 2017. The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in Note A & B in the notes to accounts in the standalone financial statement.

5. SHARE CAPITAL

- Capital structure: The Authorized Share Capital of your Company is Rs. 35,00,00,000 /- comprising of 3,47,50,000 Equity Shares of Rs.10/- each and 2,50,000 Non Cumulative Preference Shares of Rs.10/- each. The Paid-up Share Capital is Rs. 30,00,00,000 /- comprising of 3,00,00,000 Equity Shares of Rs.10/- each.
- Buy Back of Securities - The Company did not buy back any of its securities during the year under review.
- Sweat Equity - The Company did not issued any Sweat Equity Shares during the year under review.
- Bonus Shares - No Bonus Shares were issued during the year under review.
- Employees Stock Option - The Company has not provided any Stock Option Scheme to the employees.

6. SAFETY

The company continues to adopt safety measures to protect the health of workers. Company has complied with the measures to be taken regarding hazards or risks to safety and health from the production of iron and steel, including appropriate standards, codes and guidelines as prescribed, approved or recognized by the competent authority.

Company continues to properly maintain its workplaces, plant, equipment, tools and machinery, and also organizes work in such a manner so as to eliminate and control hazards and risks in the production of iron and steel, which is in consistent with national laws and regulations.

Company in consultation with workers and their representatives, looks after:

- (i) assessment of the hazards and risks to the safety and health of workers arising from the production of iron and steel,
- (ii) effective use of the information provided by the supplier of equipment or materials and from other reasonably available sources; and
- (iii) measures to reduce exposure to eliminate or control risks to safety and health identified in the above risk assessment.

7. POLLUTION CONTROL MEASURES

The company is law compliant and has already installed Waste Heat Recovery Boilers (WHRB) equipped with 3 kilns 100 X 3 MT per day capacity, which help to generate 11.5 Mw power/hour preventing the waste, heat and fumes to dilute in the atmosphere. Emission Stream Pre-treatment (ESP) machines are implemented to filter the gases from the all the chimneys of the industry. Plantation is a vivacious step taken by the company to cover most of the area near the industry.

8. DIVIDEND

With a view to conserve the liquid resources and to strengthen the financial position of the Company, your board of directors has not recommend dividend for the financial year ended 31st March, 2018.

9. DEPOSITS

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

10. TRANSFER TO RESERVES

Your Company has transferred 10% of profit i.e. Rs.45.07 lacs in the General Reserves Account during the Financial Year 2017-18.

11. CHANGES IN NATURE OF BUSINESS:

The Company has been engaged in the business of manufacturing the trading of Iron Ore Pellets, Sponge Iron, Steel Billets, HB Wires and generation of Power. There is no change in the nature of Business of the Company during the Financial Year 2017-18.

12. LISTING

The Company equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The company is duly complying with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014. The said Policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads and the new employees shall be informed about the Vigil Policy by the Personnel Department at the time of their joining. Managing Director's declaration regarding compliance of Code of Conduct by Board Members and Senior Management personnel is annexed as "**Annexure-A**"

14. CONSERVATION OF ENERGY & TECHNICAL ABSORPTION & FOREIGN EXCHANGE EARNING OUTGO

In accordance with the requirements of section 134 (3) (m) of the Companies Act, 2013 read with the companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988, a statement showing the information relating to the Conservation of Energy, Research and Development, Technology absorption and foreign exchange earnings and is enclosed in "**Annexure-B**" and should be treated as a part of this report.

15. PROVISION FOR TAX

Liability of tax have been determined on the basis of Accounting Standard - 22 which is accounting for taxes on income and accordingly, the tax expenses comprising of deferred tax liability have been calculated.

16. INDUSTRIAL RELATIONS:

Industrial relations in the company during the year were peaceful, cordial and healthy. Company had been able to maintain good industrial atmosphere and enjoys mutual trust between the management and its employees.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 134 (5) of the Companies Act 2013, with respect to Directors, Responsibility Statement, it is hereby confirmed that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. AUDITORS

Statutory Auditors

M/s. Batra Deepak & Associates, Chartered Accountants had resigned from the office of Statutory Auditor of the Company due to which casual vacancy arise. M/s. Amitabh Agrawal & Co., Chartered Accountants, were appointed as auditors by the members in the Extra-ordinary General Meeting held on 29th May, 2018 to hold office until the conclusion of the forthcoming Annual General Meeting and pursuant to section 139 of the Companies Act, 2013, and Rule 6 of the Companies (Audit and Auditors) Rules, 2014 they are eligible for re-appointment. The Audit Committee considering the qualifications and experience of M/s. Amitabh Agrawal & Co., Chartered Accountants (Firm Regn. No.006620C) has recommended their appointment as Statutory Auditors of the company for the period from the conclusion of ensuing Annual General Meeting to be held in the year 2018 to the conclusion of Annual General Meeting to be held in the year 2023. The Company has received a certificate from M/s. Amitabh Agrawal & Co., to the effect of their appointment, if made, would be within the limits prescribed under Section 141 (3) (g) of the Companies Act, 2013 and that they are

not disqualified for re-appointment and also satisfies the criteria as mentioned under Section 141 of the Companies Act, 2013.

Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules 2014 M/s Sanat Joshi & Associates has been re-appointed as cost auditors for conducting Cost Audit for the financial year 2017-18.

Internal Auditors

M/s Agrawal Jain & Co, Chartered Accountants were appointed as Internal Auditors for the FY 2017-18.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Satish Batra & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit for the financial year 2017-18.

19. AUDITORS' REPORTS

Statutory Auditors

There are no qualifications, reservations, adverse remarks or disclaimers in the statutory Auditor's Report on the Financial Statements of the company for the financial year 2017-18 and hence does not require any explanations or comments.

Secretarial Audit

There are no qualifications, reservations, adverse remarks or disclaimers in the Secretarial Auditor's Report on Secretarial and other applicable legal compliances to be made by the company for the financial year 2017-18 and hence does not require any explanations or comments. The Report of the Secretarial Audit Report is annexed herewith as "**Annexure-C**".

20. EXTRACT OF THE ANNUAL RETURN AS REQUIRED UNDER SECTION 92(3) OF THE COMPANIES ACT, 2013

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "**Annexure-D**".

21. DECLARATION - INDEPENDENT DIRECTORS

The Board of Directors declare that the Independent Directors Mr. Lekhu T Mulchandani, Mr. Ashok Suri, Mr. Sanjay Jadwani & Mrs. Satyawati Parashar are:

- (a) in the opinion of the Board, are persons of integrity and possesses relevant expertise and experience;
- (b) (i) who were or were not a promoter of the company or its holding, subsidiary or associate Company.
(ii) who are not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- (c) Who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters, or directors, amounting to two percent or more of its gross turnover of total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- (e) Who, neither himself nor any of his relatives -
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
 - (A) a firm of auditors/company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - (iii) holds together with his relative two per cent, or more of the total voting power of the company; or
 - (iv) Is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (f) who possesses such other qualification as may be prescribed.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans given, Investments made and corporate guarantees extended by the company as covered under the provisions of Section 186 of the Companies Act, 2013 are given note 2 & 3 in Financial Statements.

23. REGISTERED OFFICE

The Registered office of your Company was shifted from MIG-4, Indrawati colony, Raipur 492001 (C.G.) to Bahesar Road, Near Cycle Park, Vill – Sondra, Phase-II, Industrial Area, Siltara, Raipur, 493221 (C.G.) with effect from 15th July, 2017. The new address of the registered office is within the local limits of Raipur Municipal Corporation. Necessary formalities in this regard have been complied with pursuant of section 12 of Companies Act, 2013 and rules framed there under.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

C.G. Ispat Private Limited is a Associate Company of Vaswani Industries Limited within the meaning of Section 2(6) of the Companies Act, 2013 ("Act") as on 31st March, 2018. There are no other subsidiary companies or joint venture companies. There has been no material change in the nature of the business of the Associate Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the Financial Statements of the Associate Companies in Form AOC-1 is furnished in "**Annexure-E**" and is attached to this Report.

25. RELATED PARTY TRANSACTIONS

A detailed report on contracts and arrangements made during the year 2017-18, being arm's length transactions have been mentioned in form AOC-2 herewith as "**Annexure-F**".

26. RISK MANAGEMENT POLICY IMPLEMENTATION

In today's economic environment, Risk Management is an important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. The Risk Management Policy is being displayed on our website www.vaswaniindustries.com.

27. NOMINATION AND REMUNERATION POLICY

Company's Policy on Directors appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is attached herewith as "**Annexure-G**".

28. AUDIT COMMITTEE COMPOSITION:

The Audit Committee consists of four directors including three Independent Directors and one Executive Director and all have adequate financial literacy.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Discharging Corporate Social Responsibility (CSR) is now statutorily recognized in India. Section 135 of Companies Act, 2013 specifies that:

Every company having net worth of Rs 500 crore or more, or turnover of Rs.1000 crore or more, or net profit of Rs.5 crore or more during any of the three preceding financial years (as per circular no. 21/2014 dated June 18, 2014) should spend, in every financial year, at least 2 per cent of the average net profits of the company made during the three immediately preceding financial years. Your company is not covered by any of the conditions mentioned above.

30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up at shop floor level to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman & Managing Director. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018 for redressal.

31. MEETING OF BOARD OF DIRECTORS

The Board of Directors met fourteen (14) times during the year under review. Proper notices of the meeting were given to all the Directors and intimation were duly made to Stock Exchange regarding the conducting of the Board Meeting and its outcome. The details of which are given in the Corporate Governance Report.

32. DIRECTORS AND KEY MANAGERIAL PERSON

During the year Smt. Sudha Vaswani is appointed as Additional Director with effect from 6th January, 2018 holds office up to the conclusion of ensuing AGM. In accordance with Section 152(6)(c) of the Companies Act, 2013, Shri Yashwant Vaswani retires by rotation and being eligible offer himself for re-appointment.

Shri Lekhuchand T Mulchandani and Shri Ashok Suri, Independent Directors hold office up to the conclusion of ensuing AGM. Directors recommend her further appointment till the conclusion of the annual general meeting to be held in the year 2023.

During the year Miss Ritu Lamba was resigned from the post of Company Secretary with effect from 3rd June, 2017. Shri Neemish Jha has appointed with effect from 1st September, 2017 and resigned from the post of Company Secretary with effect from 30th November, 2017. Miss Ragini Shukla was appointed as Company Secretary with effect from 14th December, 2017 and continues to be in office.

Shri Ravi Kumar Vaswani Managing Director of the company is disqualified under Section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to non filing of annual accounts and annual return of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited for a period of three years and Strike off of Elite Buildhome Limited by ROC, Chhattisgarh. However, director has duly filed the annual accounts and annual returns of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited under CoDS scheme, 2018 and paid the penalty and have initiated process for revival of Elite Buildhome Limited.

Shri Pawan Kumar Jha, Director of the Company is disqualified under section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to Strike off of Elite Buildhome Limited by ROC, Chhattisgarh. Director has initiated process for revival of Elite Buildhome Limited.

Shri Yashwant Vaswani, Whole-time Director of the Company was disqualified under Section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to non filing of annual accounts and annual return of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited for a period of three years. However, director has duly filed the annual accounts and annual returns of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited under CoDS Scheme, 2018 and paid the penalty and ROC has removed his disqualification with effect from 16th March, 2018.

33. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 (12) read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company and the Statement showing the names and other particulars of the employees of the company as required under Rule 5 (2 & 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished and the employees of the company has received remuneration in excess of the remuneration mentioned in the above mentioned Rule 5(2) during the financial year 2017-18 is given in "**Annexure-H**".

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORTS:

Management Discussion and Analysis reports is enclosed as "**Annexure-I**" and should be treated as a part of this report.

35. ANNUAL EVALUATION OF BOARD, ETC.

The Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the each of the directors of the company. On the basis of said criteria, the Board and all its committees and directors have been evaluated by the Board of the directors and Independent Directors of the Company.

36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations.

37. CORPORATE GOVERNANCE

Company continues to practice good Corporate Governance over the time. The board lays strong emphasis on transparency, accountability and integrity for building investor confidence, improving investor's protection and maximizing long-term shareholder value.

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forming an integral part of this Report is given as "**Annexure-J**".

ACKNOWLEDGEMENT

The Board takes this opportunity to sincerely thank all its stakeholders namely, shareholders, customers, suppliers/contractors, bankers, employees, government agencies, local authorities, and the immediate society for their un-stinted support and co-operation during the year.

For and on behalf of the Board of Directors

Yashwant Vaswani Sudha Vaswani
(Whole-time Director) (Director)

Place: Raipur

Date: 1st September, 2018

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. I confirm that the Company has in respect of the financial year ended March 31, 2018, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them. The code of conduct is displayed in our website www.vaswaniindustries.com

For and on behalf of the Board of Directors

Raipur, 1st September, 2018

Yashwant Vaswani
(Whole-time Director)

A. CONSERVATION OF ENERGY

The company is making all efforts to minimize the energy consumption. Details of total energy consumption and energy consumption per unit of production as per Form – A are given hereunder:-

Particulars	31.03.2018	31.03.2017
I) POWER & FUEL CONSUMPTION:		
1. Electricity		
a. Purchased		
Total units	7200590	8432710
Total Amount (In Rs.)	26195292	30611410
Rate / Unit (In Rs.)	3.64	3.63
b. Own Generation		
Through Diesel Generation (Ltrs)	0	0
Unit per Ltrs of Diesel Oil	0	0
Rate / Unit per Ltrs (in Rs.)	0	0
2. Coal (Specify quantity and where used)		
Quantity (In MT)	97686.322	93420.74
Total Cost (In Rs.)	348166982.05	351223357
Average Rate (In Rs.)	3564.13	3759.58
II) CONSUMPTION PER UNIT OF PRODUCTION		
Production of Sponge Iron (In MT.)	61910.050	78100.390
Electricity (In Unit)	116.31	108.00
Coal (In MT)	1.58	1.20

B TECHNOLOGY ABSORPTION

1.	Efforts made in brief towards Technology Absorption, Adaption and Innovation	Fully Indigenous
2.	Benefits derived as result of above efforts. eg: product development etc.	Quality improvement
3.	In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year) Following information may be furnished: a) Technology imported b) Year of import c) Technology has been fully absorbed and if not absorbed areas where this has not taken place reasons thereof and future.	NIL } NOT APPLICABLE

C FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, the Company imported raw materials and incurred CIF value of Rs.13,46,26,538.00 in foreign currency.

For and on behalf of the Board of Directors

Yashwant Vaswani
(Whole-time Director)

Sudha Vaswani
(Director)

Place: Raipur
Date: 1st September, 2018

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

The Members,
 Vaswani Industries Limited,
 Bahekar Road, Near Cycle Park,
 Vill - Sondra Phase-II,
 Industrial Area, Siltara
 Raipur (Chhattisgarh) 493221

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vaswani Industries 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 on 31st 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 financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 1956 and the Rules made there under as well the Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.
- (iii) SEBI (LODR) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above with the following observations that the company has also complied with the following:

- Chapter VII of SEBI (Issue of Capital and Disclosure Requirement), Regulation 2009 ("the Regulations")

- Section 42 & 61 of the Companies Act, 2013
- SEBI (ICDR) Regulations 2009
- SEBI (LODR) Regulations, 2015

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority of decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We have relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for Compliances under other Acts, Laws and regulations applicable to the Company as listed in Annexure-1.

We further report that during the audit report there were no specific events/actions having a major bearing on the affairs of the Company.

For, Satish Batra & Associates
Company Secretaries

(Satish Kumar Batra)
FCS No: 1316
C P No.: 2875

Place: Raipur
Date: 30th May, 2018

ANNEXURE-1

The Contract Act, 1972 The SEBI Act, aforementioned The Companies Act, 1956 The Companies Act, 2013 The Industrial Dispute Act, The Securities Contract Regulation Act The Air (Prevention and Control of Pollution) Act, 1981 The Water (Prevention and Control of Pollution) Act, 1974 The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.	The Environment (Protection) Act, 1986 The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 The Employees' State Insurance Act, 1948 The Factories Act, 1948 The Industrial Employment (Standing Orders) Act, 1946 The Minimum Wages Act, 1948 The Payment of Wages Act, 1936 The Negotiable Instruments Act, 1881
---	--

For, Satish Batra & Associates
Company Secretaries

(Satish Kumar Batra)
FCS No: 1316
C P No.: 2875

Place: Raipur
Date: 30th May, 2018

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]

1. REGISTRATION AND OTHER DETAILS:

i.	CIN	L28939CT2003PLC015964
ii.	Registration Date	22/07/2003
iii.	Name of the Company	VASWANI INDUSTRIES LIMITED
iv.	Category Sub-Category of the Company	Public Company / Limited by shares
v.	Address of the Registered office and contact details	Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai - 400083

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contributing 10% or more of the total turnover of the company are:-

S.NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS/ SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	SPONGE IRON	72011000	19.00%
2	MS BILLET	72011000	56.00%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	Name of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	C G Ispat Pvt Ltd	U27104CT2004PTC016909	ASSOCIATE	32.82	2(6)

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Shareholding**

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoter									
1. Indian	-	-	-	-	-	-	-	-	-
i. Individual/ HUF	17500000	-	17500000	58.33	17500000	-	17500000	58.33	-
ii. Central Govt.	-	-	-	-	-	-	-	-	-
iii. State Govt.	-	-	-	-	-	-	-	-	-
iv. Bodies Corp.	-	-	-	-	-	-	-	-	-
v. Banks/FI	-	-	-	-	-	-	-	-	-

vi. Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	17500000	-	17500000	58.33	17500000	-	17500000	58.33	-
2. Foreign	-	-	-	-	-	-	-	-	-
i. NRIs- Individuals	-	-	-	-	-	-	-	-	-
ii. Other- Individuals	-	-	-	-	-	-	-	-	-
iii. Bodies Corp.	-	-	-	-	-	-	-	-	-
iv. Banks/FI	-	-	-	-	-	-	-	-	-
v. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):									
Total Shareholding of Promoter (A) = (A)(1)+A(2)	17500000	-	17500000	58.33	17500000	-	17500000	58.33	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
i. Mutual Funds	-	-	-	-	-	-	-	-	-
ii. Banks / FI	-	-	-	-	-	-	-	-	-
iii. Central Govt.	-	-	-	-	-	-	-	-	-
iv. State Govt.	-	-	-	-	-	-	-	-	-
v. Venture Capital Funds	-	-	-	-	-	-	-	-	-
vi. Insurance Companies	-	-	-	-	-	-	-	-	-
vii. FIIs	-	-	-	-	-	-	-	-	-
viii. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
ix. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
i. Bodies Corp. (i) Indian (ii) Overseas	3378380	-	3378380	11.26	3513459	-	3513459	11.71	0.45
ii. Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2719506	20	2719526	9.06	4367228	20	4367248	14.55	5.49
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5431321	-	5431321	18.10	3117437	-	3117437	10.39	(7.71)
(iii) Others									
NRI	69246	-	69246	0.23	948257	-	948257	0.34	0.11
HUF	694196	-	694196	2.31	927207	-	927207	3.09	0.77
Clearing Member	207331	-	207331	0.69	469631	-	469631	1.56	0.87
Sub-total(B)(2)	12499980	20	12500000	41.66	12499980	20	12500000	41.66	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	12499980	20	12500000	41.66	12499980	20	12500000	41.66	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	29999980	20	30000000	100%	29999980	20	30000000	100%	-

ii. Shareholding of Promoters:

S. NO	SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	RAVI VASWANI	8492160	28.31	0	8492160	28.31	0	0
2	SUDHA VASWANI	4113825	13.71	0	4113825	13.71	0	0
3	YASHWANT RAVI VASWANI	2910840	9.70	0	2910840	9.70	0	0
4	MANISHA VASWANI	1922175	6.41	0	1922175	6.41	0	0
5	RAVI KUMAR VASWANI	60000	0.20	0	60000	0.20	0	0
6	SATISH KUMAR VASWANI	1000	0.00	0	1000	0.00	0	0
	Total	17500000	58.33	0	17500000	58.33	0	0

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

S.NO	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ravi Vaswani				
i	At the beginning of the year	8492160	28.31	8492160	28.31
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	8492160	28.31	8492160	28.31
2.	Sudha Vaswani				
i	At the beginning of the year	4113825	13.71	4113825	13.71
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	4113825	13.71	4113825	13.71
3.	Yashwant Ravi Vaswani				
i	At the beginning of the year	2910840	9.70	2910840	9.70
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-

iii	At the End of the year	2910840	9.70	2910840	9.70
4.	Manisha Vaswani				
i	At the beginning of the year	1922175	6.40	1922175	6.40
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	1922175	6.40	1922175	6.40
5.	Ravi Kumar Vaswani				
i	At the beginning of the year	60000	0.20	60000	0.20
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	60000	0.20	60000	0.20
6.	Satish Kumar Vaswani				
i	At the beginning of the year	1000	0.00	1000	0.00
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	1000	0.00	1000	0.00

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.NO	FOR EACH OF THE TOP TEN SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Amrit Sales Promotion Pvt Ltd				
i	At the beginning of the year	1250000	4.16	1250000	4.16
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year (or on the date of separation, if separated during the year)	1250000	4.16	1250000	4.16
2.	Brijdhara Developers Private Limited				
i	At the beginning of the year	279388	0.93	279388	0.93
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	279388	0.93	279388	0.93
3.	Raga Tradecon Private Limited				
i	At the beginning of the year	250000	0.83	250000	0.83
ii	Date wise Increase / Decrease in Promoters Share holding during	-	-	-	-

	the year specifying the reasons for increase / decrease/(transfer)				
iii	At the End of the year	250000	0.83	250000	0.83
4.	Prudential Business Enterprise Private Limited				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 23 rd March, 2018	250000	0.83	250000	0.83
iii	At the End of the year	250000	0.83	250000	0.83
5.	Khera Motor Finance Pvt Ltd				
i	At the beginning of the year	250000	0.83	250000	0.83
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	250000	0.83	250000	0.83
6.	Disha Vintrade Private Limited				
i	At the beginning of the year	236250	0.78	236250	0.78
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	236250	0.78	236250	0.78
7.	Ganeshvani Infrabuild Private Limited				
i	At the beginning of the year	234500	0.78	234500	0.78
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	234500	0.78	234500	0.78
8.	Ajay Parakh				
i	At the beginning of the year	217496	0.72	217496	0.72
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 7 th April, 2017 Transfer – 28 th July, 2017 Transfer – 4 th August, 2017 Transfer – 11 th August, 2017 Transfer – 8 th September, 2017 Transfer – 15 th September, 2017 Transfer – 17 th November, 2017	(50) (68254) (25796) (11501) 550 195441 (83758)	(0.00) (0.23) (0.09) (0.04) 0.00 0.65 (0.28)	217446 149192 123396 111895 112445 307886 224128	0.72 0.49 0.40 0.36 0.36 1.01 0.73
iii	At the End of the year	224128	0.73	224128	0.73
9.	Rishab Nahata				
i	At the beginning of the year	212600	0.70	212600	0.70
ii	Date wise Increase / Decrease in	-	-	-	-

	Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)				
iii	At the End of the year	212600	0.70	212600	0.70
10.	Moti Chand Jain				
i	At the beginning of the year	188000	0.62	188000	0.62
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 23 rd February, 2018	1000	0.01	189000	0.63
iii	At the End of the year	189000	0.63	189000	0.63
11.	Priti Parakh				
i	At the beginning of the year	214656	0.71	214656	0.71
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 28 th July, 2017 Transfer – 4 th August, 2017 Transfer – 11 th August, 2017 Transfer – 22 nd September, 2017 Transfer – 29 th September, 2017 Transfer – 6 th October, 2017 Transfer – 13 th October, 2017 Transfer – 20 th October, 2017 Transfer – 27 th October, 2017	(68986) (30475) (1) (7500) (10001) (30000) (3711) (27333) (33950)	(0.23) (0.10) (0.00) (0.03) (0.03) (0.10) (0.01) (0.09) (0.11)	145670 115195 115194 107694 97693 67693 63982 36649 2699	0.48 0.38 0.38 0.35 0.32 0.22 0.21 0.12 0.01
iii	At the End of the year	189000	0.63	189000	0.63
12.	Pradipkumar L. Shah				
i	At the beginning of the year	256912	0.85	256912	0.85
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 28 th July, 2017 Transfer – 4 th August, 2017 Transfer – 15 th September, 2017 Transfer – 22 nd September, 2017 Transfer – 29 th September, 2017 Transfer – 6 th October, 2017 Transfer – 20 th October, 2017 Transfer – 27 th October, 2017 Transfer – 3 rd November, 2017	(31198) (16780) (9800) (52100) (53500) (9000) (27300) (10910) (46324)	(0.10) (0.06) (0.03) (0.17) (0.18) (0.03) (0.09) (0.04) (0.15)	225714 208934 199134 147034 93534 84534 57234 46324 0	0.75 0.69 0.66 0.49 0.31 0.28 0.19 0.15 0
iii	At the End of the year	0	0	0	0
13.	Ashok Investors Trust Limited				
i	At the beginning of the year	250000	0.83	250000	0.83
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer) Transfer – 23 rd March, 2018	250000	0.83	0	0
iii	At the End of the year	0	0	0	0

v. Shareholding of Directors and Key Managerial Personnel:

S.NO	FOR EACH OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ravi Kumar Vaswani – Managing Director				
i	At the beginning of the year	8492160	28.31	8492160	28.31
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	8492160	28.31	8492160	28.31
2.	Yashwant Vaswani – Whole-time Director				
i	At the beginning of the year	2910840	9.70	2910840	9.70
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	2910840	9.70	2910840	9.70
3.	Sudha Vaswani - Director				
i	At the beginning of the year	4113825	13.71	4113825	13.71
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	4113825	13.71	4113825	13.71
4.	Pawan Kumar Jha - Director				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	-	-	-	-
5.	Ashok Kumar Suri – Independent Director				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	-	-	-	-
6.	Lekhu Thadaram Mulchandani – Independent Director				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	-	-	-	-
7.	Sanjay Jadwani – Independent Director				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in	-	-	-	-

	Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)				
iii	At the End of the year	-	-	-	-
8.	Satyawati Parashar – Independent Director				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	-	-	-	-
9.	Ragini Shukla – Company Secretary				
i	At the beginning of the year	-	-	-	-
ii	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease/(transfer)	-	-	-	-
iii	At the End of the year	-	-	-	-

5. INDEBTEDNESS

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

	In Rs.			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	393839547	28501000	-	420062551
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	393839547	28501000	-	420062551
Change in Indebtedness during the financial year				
* Addition	253379243	-	-	-
* Reduction	(167838245)	(28501000)	-	(139337245)
Net Change	85540998	(28501000)	-	57039998
Indebtedness at the end of the financial year				
i) Principal Amount	479380545	-	-	479380545
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	479380545	-	-	479380545

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Remuneration to Managing Director, Whole-Time Directors, Executive

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager/Executive				Total
1	Gross salary	Ravi Vaswani (MD)	Yashwant Vaswani (WTD)	Pawan Kumar Jha	Sudha Vaswani	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	900000	395000	463903	90000	1848903
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	239976	95988	0	0	335964
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2	Stock option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit	0	0	0	0	0
	others (specify)	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	Total (A)	1139976	490988	463903	90000	2184867
	Ceiling as per the Act					4200000

ii. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	No remuneration is paid to Independent Directors	
	Fee for attending board committee meetings	0	0
	Commission	0	0
	Others, please specify	0	0
	Total (1)	0	0
2	Other Non-Executive Directors	0	0
	Fee for attending board committee meetings	0	0
	Commission	0	0
	Others (Salary)	0	0
	Total (2)	0	0
	Total (B)=(1+2)	0	0
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act	0	0

iii. **Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 CS Ritu Lamba (1 st April, 2017 to 3 rd June, 2017) 72,450 CS Neemish Jha (1 st September, 2017 to 30 th November, 2017) 45,000 CS Ragini Shukla (14 th December, 2017 to 31 st March, 2018) 54,000	0		0	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	
2	Stock Option	0	0	0	
3	Sweat Equity	0	0	0	
4	Commission	0	0	0	
	- as % of profit	0	0	0	
	Others, specify	0	0	0	
5	Others, please specify	0	0	0	
	Total		1,71,450	0	

7. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[R D/NCLT/Court]	Appeal made. If any (give details)
i. Company					
Penalty	-----Nil-----				
Punishment					
Compounding					
ii. Directors					
Penalty	-----Nil-----				
Punishment					
Compounding					
iii. Other Officers In Default					
Penalty	-----Nil-----				
Punishment					
Compounding					

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A" Subsidiaries

(Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures)

S. NO	PARTICULARS	DETAILS
1.	Name of the subsidiary	NIL
2.	The date since when subsidiary was acquired	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
5.	Share capital	
6.	Reserves and surplus	
7.	Total assets	
8.	Total Liabilities	
9.	Investments	
10.	Turnover	
11.	Profit before taxation	
12.	Provision for taxation	
13.	Profit after taxation	
14.	Proposed Dividend	
15.	Extent of shareholding (in percentage)	

Part "B" Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. NO.	PARTICULARS	DETAILS
1.	Name of Associates or Joint Ventures	C.G. ISPAT PRIVATE LIMITED
2.	Latest audited Balance Sheet Date	31 st March, 2018
3.	Date on which the Associate or Joint Venture was associated or acquired	30 th April, 2010
4.	Shares of Associate or Joint Ventures held by the company on the year end	
	Number of shares	20,77,250
	Amount of Investment in Associates or Joint Venture	2,07,72,500
	Extent of Holding (in percentage)	32.82
5.	Description of how there is significant influence	By virtue of holding
6.	Reason why the associate / joint venture is not consolidated	The activities of the company have no direct bearing of operations of the associates.
7.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.2,38,16,515.00
8.	Profit or Loss for the year Considered in Consolidation Not Considered in Consolidation	Not considered Rs.62,35,260.00

FORM NO. AOC.2 – FOR FINANCIAL YEAR 2017-18

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis – NOT APPLICABLE

2. Details of material contracts or arrangement or transactions at arm's length basis –

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts /arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Ravi Vaswani	Remuneration	5 years	On prevailing cash prices as per Contract u/s 196, 269, 309 of companies Act 1956 read with sch XIII value pertaining Rs. 11.39 Lacs	Members approval- 14 th September, 2015	Nil
	Repayment of Unsecured Loan	-	Rs. 154.65 Lacs	-	Nil
Pramod Vaswani	Repayment of Unsecured Loan	-	Rs. 8.29 Lacs	-	Nil
Yashwant Vaswani	Remuneration	5 years	On prevailing cash prices as per Contract u/s 196, 269, 309 of companies Act 1956 read with sch XIII value pertaining Rs. 4.90 lacs	Members approval- 14 th September, 2015	Nil
	Repayment of Unsecured Loan	-	Rs. 118.80 Lacs	-	Nil
Sudha Vaswani	Remuneration	-	Rs. 0.90 Lacs	6 th January, 2018	Nil
	Salary	-	Rs. 0.90 Lacs	-	Nil
Pawan Kumar Jha	Remuneration	-	Rs. 4.63 Lacs	-	Nil
Ragini Shukla	Salary	-	Rs. 0.54 Lacs	14 th December, 2017	Nil
Kwality Foundry Industries	Sale of goods	-	On prevailing cash prices Rs.1066.97 lacs	5 th April, 2017	Nil
	Purchase of Goods	-	On prevailing cash prices Rs.448.90 lacs	5 th April, 2017	Nil
	Advance for raw materials	-	Rs.142.41 Lacs	5 th April, 2017	Nil
C G Ispat Pvt Ltd	Sale of goods	-	On prevailing cash prices Rs.9151.15 lacs	5 th April, 2017	Nil
	Purchase of Goods	-	On prevailing cash prices Rs. 1693.31 lacs	5 th April, 2017	Nil
Kushal Vaswani	Salary	-	Rs. 9.00 lacs	Members approval -12.09.2014	Nil
Cosmos Casting (India) Limited	Advances	-	Rs. 2.05 Lacs	5 th April, 2017	Nil

Raipur, 1st September, 2018

SUDHA VASWANI - DIRECTOR

YASHWANT VASWANI - WHOLE TIME DIRECTOR

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee (NRC) shall adhere to the following policy in all its deliberations from time to time.

1. The NRC shall take into account the performance of the Company, its financial strength and volume of operations to ensure that its recommendations or implementable from time to time.
2. The NRC shall also take into account the industry scenario and competitive elements with regard to its recommendations so that the company maintains the industry levels.
3. The NRC shall always recommend remuneration and other benefits or reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
4. The NRC shall always fix benchmarks and maintain a proper relationship of remuneration to performance so that the performance benchmarks are achieved.
5. The NRC shall always review its own performance and bring suitable changes in its policy from time to time.
6. The NRC shall endeavor to maintain a proper balance between key managerial personnel, senior personnel and other level of employees so that there is a peace and harmony in industrial relations.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Ravi Vaswani	Smt. Sudha Vaswani	Mr. Yashwant Vaswani	Mr. Pawan Kumar Jha
	2.49	0.20	1.07	1.01
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Ravi Vaswani	Smt. Sudha Vaswani	Mr. Yashwant Vaswani	Mr. Pawan Kumar Jha
	(0.32)	(0.20)	(0.06)	(0.04)
(iii) the percentage increase in the median remuneration of employees in the financial year;	13%			
(iv) the number of permanent employees on the rolls of company;	160			
(v) the explanation on the relationship between average increase in remuneration and company performance;	The average increase in median remuneration was in line with the performance of the Company			
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The remuneration was in line with the performance of the Company			
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Market capitalization for the financial year 2017-18 is Rs 4,68,00,00,000 and for the financial year 2016-2017 is Rs 2,82,90,00,000. Price earning ratio for the financial year 2017-2018 is 1.50 and for the financial year 2016-2017 is 0.59. Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 2011. An amount of Rs. 49 price per share including Rs.39 as premium & there is increase of 56% i.e. Rs.15.60 based on the market closing price as on 31 st March, 2018.			
(viii) 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 no increment in Managerial remuneration.			
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Average percentage decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 15.52 %.			
(x) the key parameters for any variable component of remuneration availed by the directors;	The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.			

(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	None
(xii) 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 Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY: DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The board's report shall include a statement showing the name of every employee of the company, who-

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and twenty lakh rupees;	NONE
(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;	NONE
(iii) if 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 whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	The employee whose remuneration is in excess of one of Whole-time Director i.e Mr. Yashwant Vaswani is as under and none owns 2% of the equity shares of the company; Mr. H. K. Suryavanshi - Sr. Mang. Exp - 18 y SPA 753696 Q - BE(Mech) BOE DOJ - 01.06.2012 PE - M/s INDSYNERGY LIMITED, Raigarh N - Permanent, Mr. Ashwini Kumar Sahu - DGM Exp - 21 y SPA 907464 Q - Dip. In Electrical Engg. DOJ 01.06.2012 PE - HEG Ltd. (Bhilwara Group) Durg N - Permanent, Mr. Mahesh Prasad Tiwari - DGM SMS Exp - 25y SPA 762801 Q - BSC DOJ - 10.07.2011 PE - M/S Om Kiran Ispat Udyog, Raipur N - Permanent Mrs. Arpana Suryavanshi - Power Plant Administrator Exp - Nil SPA 482880 Q - M.A. DOJ - 01.02.2016 PE - None N - Permanent, Mrs. Hemlata Sahu- Power Plant Exp- Nil SPA 641940 Q. Dip. In Electrical Engg. DOJ- 01.12.2015 PE- None- N Permanent.

* Exp - experience, SPA - Salary per annum, Q - Qualification, DOJ - Date of Joining PE - Previous Employer N = Nature of employment

YASHWANT VASWANI - WHOLE TIME DIRECTOR
SUDHA VASWANI - DIRECTOR

Raipur, 1st September, 2018

MANAGEMENT DISCUSSION AND ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENTS**

There is no change in business sector of the company and Management Discussion and Analysis continues on similar lines from year to year. Consumption of steel is an indicator of economic development of a country. Steel continues to have a stronghold in traditional sectors such as construction, housing and ground transportation, special steels are increasingly used in engineering industries such as power generation, petrochemicals and fertilizers. Your company is engaged in integrated business of manufacture of sponge iron, steel billets & ingots and power generation at Sondra village in Raipur (Chhattisgarh).

OPPORTUNITIES AND THREATS

Over last year, there is no significant change in opportunities & threats.

OPPORTUNITIES

Growth in the steel demand has strong correlation with growth in GDP of nation. The Indian economy was expected to grow at spectacular growth rates of GDP; but unfortunately the same is not happening. The demand for sponge iron in medium term is becoming healthy due to closure of many sponge iron plants for want of iron ore supply to them. Steel through induction furnace route is on the verge of reduction. Consequently merchant sponge iron suppliers will be under pressure on account of market demand. The company, therefore, has vision to shift focus to steel making from its own sponge.

The important policy measures which have been taken over the years for the growth and development of the Indian iron and steel sector are as under:-

- (i) Currently, import duty on steel items from existing 5% to 10%. The import duty on raw materials like melting scrap, coking coal, met coke is NIL and between 2 to 5 percent for other raw materials such as Zinc, Iron Ore and Ferro Alloys. There is no export duty on any steel item. Government has rightly imposed ad-valorem export duty of 30 per cent on iron ore lumps in order to conserve the mineral for long term requirement of the domestic steel industry.
- (ii) GST has brought uniform effect at the National level Excise duty for steel is currently at 12 percent.
- (iii) To ensure sufficient domestic availability and curb the rising price of hot-rolled coils in the domestic market, its imports have been freed by the government.
- (iv) The National Steel Policy 2005 continues to be updated to provide a roadmap for Indian Steel Industry's long term growth prospects in view of fast-changing nature of operations, structure and dynamics.
- (v) For ensuring quality of steel several items have been brought under a quality control order issued by the Government. The matter to bring more steel items under this order is under examination.
- (vi) In order to obtain full picture of the pattern of rural steel consumption in the country, an all India survey was commissioned by the Ministry of Steel. The survey work was coordinated by Joint Plant Committee, Kolkata and the field work was carried out by IMRB International, a leading market research organization. The study report was examined by a high-level Committee appointed by the Ministry of Steel for devising roadmap for implementation of the recommendations of the study, which have submitted its report to Ministry of Steel. Further action as per recommendations of this committee is being taken.

THREATS

Cost of Iron ore and coal i.e. the basic raw material has a direct impact on the profitability. Iron ore prices has increased substantially and availability of the required grade has suffered to a great extent due to various restrictions imposed by the authorities. Coal India's new coal distribution policy and consequent Fuel Supply Agreement has disrupted coal linkages forcing producers to procure more e-auction coal. Coal India has also increased the price of coal substantially.

The cost of iron ore and coal constitute more than 80% of cost of production. Profitability of the company depends on market price of these raw materials vis-à-vis price of sponge iron. The only way to substantially reduce the cost of iron ore and coal is to have captive mines for these raw materials. The coal block which is under development will meet most of the coal requirements. Delay in starting the mining operations is only due to external factors. Further, the coal linkage has been discontinued forcing the company to procure the required coal through e-auctions of coal India and overseas markets at high cost. The company does not have any iron ore mine.

SEGMENT-WISE PERFORMANCE

The company has four segment iron & steel, power, real estate and fabrics. The necessary disclosures have been made as per accounting standard 17 on segment reporting in the notes to accounts.

OUTLOOK

The outlook of the company is broadly described in Vision and Mission statements of the Company. Options of shifting focus to steel making, separate power plant at pit head of coal block etc. remain in focus to optimize the revenue in future.

OVERVIEW OF THE COMPANY AND ITS PROJECT

Vaswani Industries Ltd. was incorporated under the Companies Act, 1956 on July 22, 2003 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh and obtained Certificate of Business Commencement on February 10, 2004. The company was established with the object of manufacturing of Sponge Iron, Steel Billets and captive Power Generation. We are presently engaged in integrated business of manufacturing Sponge Iron, Steel Billets & Ingots and power generation. The company belongs to Vaswani Group of companies which has interest in iron & steel of over past two decades. The developments of the Company are as under:

- (i) Our company has manufacturing facilities in an industrial area at Sondra village, 14 km from Raipur railway station. Our company installed first kiln of 1x100 TPD sponge iron in the year 2004-05 and over the period of time enhanced the total capacity of sponge iron to 3 x 100 TPD.
- (ii) Has installed three Induction Furnaces with a capacity of 36000 MT for manufacturing of Steel Billets & Ingots utilizing in-house production of Sponge Iron.
- (iii) Your company started selling power in 2009. Power generation capacity enhanced to 11.5 MW (9 MW from WHRB and 2.50 MW from Coal) during the year 2010-2011.

Since inception your company has responded to changing economic conditions and new market opportunities through periodic restructuring. We firmly believe in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship. Company draw its strength from an age old tradition of reliable customer service and quality products.

FINANCIAL PERFORMANCE OF THE COMPANY

- *Sales*
The total sales of current year 2017-18 is Rs. 23732.38 lacs as compared to Rs. 25551.05 lacs in previous year 2016-17. The sales volume has decreased by 7.12% as compared to previous year.
- *Consumed Material Cost*
The material cost during the current year 2017-18 is Rs 15285.51 Lacs as compared to Rs 16090.76 Lacs in previous year 2016 - 2017. The raw material consumption has decreased by 5.00% as compared to previous year.
- *Manufacturing Expenses*
Manufacturing expenses during the current year 2017-18 is Rs. 3585.23 Lacs where as during the previous year 2016-17 is Rs. 3358.09 Lacs. These expenses have increased by 6.76% as compared to previous year.
- *Employees Remuneration & Benefits*
Employees Remuneration & benefits during the current year 2017-18 is Rs. 360.62 Lacs as compared to Rs. 337.25 Lacs in previous year 2016-17. These expenses have increased by 6.93% as compared to previous year.
- *Administrative & Other Expenses*
Administrative & Other Expenses during the current year 2017-18 is Rs. 383.86 Lacs as compared to Rs. 322.69 Lacs in previous year 2016 - 2017. These expenses have increased by 18.95% as compared to previous year.
- *Depreciation*
Depreciation during the current year 2017 - 2018 was Rs.539.32 Lacs as compared to Rs.574.47 Lacs the previous year 2016 - 2017. During the current year it has decreased by 6.12%.
- *Profit after tax*
The current year Profit after tax is Rs. 450.77 Lacs as compared to previous year 2016-17 was Rs. 176.98 Lacs. During the current year there is growth of 154.23% in profit.

COMPETITION

The Company faces stiff competition from medium and large well-established players. The Company is smaller in size compared to the market leaders. However with capital expenditure in the upgradation of project of the company, it intends to face competition more confidently.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, applicable statutes, the Code of Conduct and Corporate policies are duly complied with. The Company has an Audit Committee with majority of Independent Directors as members to maintain the objectivity. The Internal Audit Program is designed in consultation with the Statutory Auditors to ensure accuracy and reliability of accounting data and is monitored by the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. The Company's internal audit team also carries out extensive audits throughout the year, across all functional areas.

PERSONNEL

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company.

CAUTIONARY STATEMENT

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18

The Company continues to follow steady fast policies from year to year as under:

i) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We at Vaswani Industries Limited, are committed to good corporate governance and its adherence to the best practices of true spirits at all times.

ii) BOARD OF DIRECTORS

As on 31st March, 2018, the Company's Board consists of Eight Directors having considerable professional experience in their respective fields. Out of them Four are Non- Executive Independent Directors which includes one Woman Director and other Four are Executive Directors including one Chairman and Managing Director, one Whole-time Directors who are the promoters of the Company and two Additional Executive Director. The Composition of the Board is in Conformity with Regulation 17 of SEBI (LODR) Regulation, 2015 and as per Companies Act, 2013 which is effective as on 31st March, 2018.

None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 Committees (as specified in Regulation 26 of SEBI (LODR) Regulation, 2015), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below in Table - 1, Table - 2, Table - 3 and Table - 4 :

TABLE 1
As on March 31, 2018

Sno	NAME OF DIRECTOR	CATEGORY	Number of shares	NO. OF OTHER DIRECTORSHIP	NO. OF OTHER COMMITTEE MEMBERSHIP/ CHAIRMANSHIP HELD*
1	Mr. Ravi Vaswani	Chairman & Managing Director	3969860	10	0
2	Mr. Yashwant Vaswani	Whole Time Director	2190840	5	1
3	Mr. Lekhu Thadaram Mulchandani	Independent Director	Nil	1	2
4	Mr. Ashok Suri	Independent Director	Nil	1	2
5	Mr. Sanjay Jadwani	Independent Director	Nil	1	1
6	Mrs. Satyawati Parashar	Independent Director	Nil	5	5
7	Mr. Pawan Kumar Jha	Additional Director	Nil	1	1
8	Mrs. Sudha Vaswani	Additional Director	4113825	1	0

*Only Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

TABLE 2

As on March 31, 2018

Number of Board Meetings held

The dates on which Meetings of the Board of Directors were held and the number of Directors presents in each meeting are given in table below:

S. no.	Date of Meeting	Board Strength	No. of Directors present
1.	05/04/2017	7	7
2.	30/05/2017	7	7
3.	25/06/2017	7	5
4.	15/07/2017	7	5
5.	20/07/2017	7	5
6.	14/08/2017	7	7
7.	01/09/2017	7	7
8.	14/11/2017	7	7
9.	14/12/2017	7	7
10.	30/12/2017	7	5
11.	06/01/2018	7	5
12.	09/02/2018	8	7
13.	14/02/2018	8	7
14.	23/03/2018	8	8

The maximum time gap between any two meetings was not more than 3 (three) calendar months.

TABLE 3

As on March 31, 2018

Attendance of directors at (i) Board Meeting and (ii) Annual General Meeting

S. No.	Name Of Directors	No. Of Board Meetings Attended	Attendance At The Last AGM
1.	Mr. Ravi Vaswani	14	YES
2.	Mr. Yashwant Vaswani	14	YES
3.	Mr. Lekhu Thadaram Mulchandani	11	YES
4.	Mr. Ashok Suri	11	YES
5.	Mr. Sanjay Jadwani	11	YES
6.	Mrs. Satyawati Parashar	11	YES
7.	Mr. Pawan Kumar Jha	14	YES
8.	Mrs. Sudha Vaswani	3	YES

TABLE 4

As on March 31, 2018

Independent Directors Meeting

Sr.No.	Dates of Meeting	Committee Strength	No. of members Present
1	23.03.2018	4	4

iii) ROLE OF DIRECTORS

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically reviews all the relevant information which is required to be placed before it pursuant to SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure. Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behaviour, ensures transparency in corporate dealing and compliance with the laws and regulations.

Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board meeting elaborate presentations are made to the Board. The members discuss each agenda item freely in detail.

iv) OTHER COMMITTEES AT BOARD LEVEL

a) Audit Risk Management & Vigil Committee

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Internal Auditors, Independent Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensure that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013. Further your Audit Committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses if any issued by the statutory auditors;
4. Internal Audit report relating to internal control weaknesses, if any and implementation of action points arising there from and
5. The appointment, removal and terms of remuneration of the Internal Auditors
6. Quarterly and annual financial statements and
7. Risk assessment and minimization procedures

Composition – The Audit Committee of the Board of Directors is presently comprised of one executive Director and three Independent Directors. The Audit Committee comprises of following Directors:

Name of Members	Designation	Nature of directorship
Mr. Lekhu T Mulchandani	Chairman Independent	Non-Executive Director
Mr. Sanjay Jadwani	Member Independent	Non-Executive Director
Mr. Ashok Suri	Member Independent	Non-Executive Director
Mr. Yashwant Vaswani	Member	Executive Director

The committee met four times during the year 2017-18 and the attendance of the members at these meetings was as follows:

SN	Date of Meeting	Committee Strength	No. of members present
1.	30.05.2017	4	4
2.	14.08.2017	4	4
3.	01.09.2017	4	4
4.	14.11.2017	4	4
5.	14.12.2017	4	4
6.	14.02.2018	4	4

The Functioning and terms of reference of the Audit Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013 and Regulation 18(1) of SEBI LODR, 2015 as are in force/ applicable from time to time.

b) Nomination and Remuneration Committee

In compliance with the Regulation 19 of SEBI LODR, 2015 and Section 178 of Companies Act, 2013 the Board renamed the Remuneration committee as "Nomination and Remuneration Committee". Your Board has re-constituted the Nomination and Remuneration Committee which now comprises of Mr. Lekhu T Mulchandani, Independent Director as Chairman, Mr. Ashok Suri, Independent Director and Mr. Sanjay Jadwani, Independent Director as members. The terms of reference of the committee inter alia include succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

The Committee met on 05.04.2017, 01.09.2017, 14.12.2017 and 06.01.2018 and reviewed the performance of the Directors both Non- Executive and Executive Directors and also the senior managerial personnel including Key Managerial personnel during the year.

c) Stakeholders Relationship Committee

In compliance with the Regulation 20 of SEBI LODR, 2015 and Section 178 of Companies Act, 2013, your company re-constituted this committee as "Stakeholders Relationship Committee". This committee of the Board of your Company looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report, shares after transfer and delays in transfer of shares. The committee also looks into issues including status of dematerialization/rematerialization of shares and issue of duplicate share certificates and tracks investor complaints and suggests measures for improvement from time to time.

The Committee comprises of Mr. Lekhu T Mulchandani, Independent Director as Chairman, Mr. Ashok Suri, Independent Director and Mr. Pawan Kumar Jha, Executive Director as members. During the year under review the committee met on 30.05.2017, 01.09.2017 and 06.01.2018 on various matters referred above. Ms. Ragini Shukla, Company Secretary, being Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee and to place a report at each Board meeting on matters dealt by the committee each quarter. During the year no Complaints were received. As on 31st March, 2018 no complaints remained unattended/pending more than thirty days. The company has no share transfers/transmission pending as on 31st March, 2018.

d) Risk Management Committee

The Committee comprises of Mr. Ravi Vaswani, Managing Director and Mr. Yashwant Vaswani, Whole-time Director as member. During the year under review the committee met on 14.02.2018 on various matters referred above. Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify business opportunities. The Audit Committee also functions as the Risk Management Committee. The objectives and scope of the BRM committee comprises of an oversight of risk management performed by the executive management, review BRM policy and framework in line with local legal frame work and SEBI guidelines and defining framework in identification, assessment, monitoring, mitigation and reporting risks.

REMUNERATION OF NON- EXECUTIVE / EXECUTIVE DIRECTORS

Name of the Director	Business relationship with the Company	Salary, benefits, bonus etc paid during the year 2017-18	Commission Due/ paid/payable for 2017-18	Sitting fess(for Board and its committees)
Ravi Vaswani	Chairman & Director	Rs. 11.40 Lacs	NIL	NIL
Yashwant Vaswani	Whole-time Director	Rs. 4.90 Lacs	NIL	NIL
Lekhu T Mulchandani	Independent Director	-	NIL	NIL
Ashok Suri	Independent Director	-	NIL	NIL

Sanjay Jadwani	Independent Director	-	NIL	NIL
Satyawati Parashar	Independent Director	-	NIL	NIL
Pawan Kumar Jha	Additional Director	Rs. 4.64 Lacs	NIL	NIL
Sudha Vaswani	Additional Director	Rs. 0.90 Lacs	NIL	NIL

v) CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all the members of the Board of Directors and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads.

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. The code of conduct is uploaded in our website vaswaniindustries.com.

Mr. Yashwant Vaswani, Whole-time Director and Mrs. Sudha Vaswani, Director of the Company have certified to the Board that:

(a) They have reviewed the Financial Statements and the Cash Flow statement for the year and that to the best of their knowledge and belief:

- i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading; and
- 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) There are, to the best of their 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) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They have indicated to the auditors and the Audit Committee:

- i) significant changes in internal control over financial reporting during the year;
- ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting

We hereby confirm that:

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2017-18"

RAIPUR, 1st September, 2018

Yashwant Vaswani Sudha Vaswani
(Whole-time Director) (Director)

VI) GENERAL MEETINGS:

Location, date, time & place of last three year Annual General Meeting and Extra Ordinary General Meeting are given below:

Annual General Meeting (AGM):				
For the year ended / Year of EGM	Location	Date	Time	Details of Resolution passed
31.03.2017	Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur (C.G.) 493221	29.09.2017	3.00 PM	Ordinary & Special
31.03.2016	MIG-4, Indrawati Colony, Raipur (C.G.)	26.09.2016	3.00 PM	Ordinary & Special
31.03.2015	MIG-4, Indrawati Colony, Raipur (C.G.)	14.09.2015	3.00 PM	Ordinary & Special
Extra Ordinary General Meeting (EGM):				
2018	Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur (C.G.) 493221	29.05.2018	3.00 PM	Ordinary
2017	MIG-4, Indrawati Colony, Raipur (C.G.)	04.05.2017	3.00 PM	Special
During the year ended on March 31, 2018, there have been no resolutions passed by the Company's Shareholders by postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to pass by postal ballot.				

VII) DISCLOSURES

1. Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large. All transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company. The details of related party transactions are disclosed in Note No. 35(b) attached to and forming part of the accounts. Details of RPT in form AOC 2 attached to Board Report may also be referred to.

2. Details of non-compliance by the company, penalties, structures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years. - None

3. Compliance with Accounting Standards - In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

4. Compliance Certificate from the auditors - Certificate from the auditors of the company confirming compliance with the mandatory requirements under SEBI (LODR) Regulations, 2015 is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

5. Adoption of non mandatory requirements under SEBI (LODR) Regulations, 2015 and as applicable under Companies Act, 2013

The company complies with the following non-mandatory requirements under SEBI (LODR) Regulations, 2015 with reference to Companies Act, 2013 relating to Audit Committee.

6. The company has no subsidiaries.

7. Compliances: There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

8. No significant changes in Accounting Treatment.

9. Remuneration Committee

The Board has constituted a remuneration committee consisting of three director's majority of who are non executive independent directors, the chairman of the committee being an independent director. The remuneration committee recommends/reviews remuneration of the Directors. The Nomination & Remuneration Policy is uploaded in our website vaswaniindustries.com.

10. Whistle blower policy

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice. The Whistle Blower Policy is uploaded in our website vaswaniindustries.com.

11. Risk Management

Your Company has a comprehensive risk management policy. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting. The Risk Management Policy is uploaded in our website vaswaniindustries.com.

12. Corporate Social Responsibility (CSR)

Discharging Corporate Social Responsibility (CSR) is now statutorily recognized in India. Section 135 of companies Act, 2013 specifies that - Every company having net worth of Rs 500 crore or more, or turnover of Rs 1000 crore or more, or net profit of Rs 5 crore or more during any of the three preceding financial years (as per circular no. 21/2014 dated June 18, 2014) should spend, in every financial year, at least 2 per cent of the average net profits of the company made during the three immediately preceding financial years. Here our company does not satisfy the condition mentioned above hence CSR is not discharged.

13. Archival Policy

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") requires every Listed Company to make available an Archival policy on the website. In this context, the policy has been framed by the Board of Directors ("Board") of Vaswani Industries Limited ("VIL"/ "Company") and the same can be viewed on our website vaswaniindustries.com.

14. Policy on preservation of Documents

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") require every Listed Company to formulate a policy on Preservation of Documents which has to be approved by the Board of Directors. In this context, the policy has been framed by the Board of Directors ("Board") of Vaswani Industries Limited ("VIL"/ "Company") and the same can be viewed on our website vaswaniindustries.com.

15. Familiarization Program for Independent Directors

VASWANI INDUSTRIES LIMITED has in place a system to familiarize its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company, etc. In addition, it also undertakes various measures to update the Independent Directors about the ongoing events and development relating to the Company the same is uploaded in our website vaswaniindustries.com.

VIII) MEANS OF COMMUNICATION:

- a. Financial Results: The quarterly, half yearly and annual results are issued electronically in the stock exchange and posted in its website and are displayed on the website of the Company www.vaswaniindustries.com.
- b. Website: The Company's website "www.vaswaniindustries.com" contains sections for the policies, investors where shareholders interest related information is available, financial results/reports etc. The Annual Report of the Company is also available on the website in a downloadable form.

IX) GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting Date	30 th October, 2018 at 3.00 p.m.			
Venue	Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221			
Financial Year	01 April 2017 to 31st March 2018			
Book Closure Date	Tuesday, 23 rd October, 2018 to 30 th October, 2018 (both days inclusive)			
Listed on stock exchange	National Stock Exchange & Bombay Stock Exchange			
Listing Date & Commencement of Trading Date	20th September, 2011 & 24th October, 2011			
Annual Listing fees	Annual Listing fees for the year 2017-18 were duly paid to the above stock exchanges.			
Stock Code	NSE: VASWANI & BSE: 533576			
ISIN	INE590L01019			
Dividend	No dividend recommended by Board of Directors.			
Market price data and performance of the share price of the Company in comparison to BSE Sensex and NSE nifty. The monthly high and low quotations of shares traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited	Month	BSE		NSE
		High	Low	High Low
	April, 2017	10.99	9.05	10.95 9.20
	May, 2017	12.09	9.00	11.60 9.00
	June, 2017	11.15	7.57	11.25 7.5
	July, 2017	14.80	8.15	14.90 8.15
	August, 2017	14.88	10.21	15.10 9.75
	September, 2017	24.15	14.10	24.60 14.00
	October, 2017	17.50	13.35	17.50 13.30
	November, 2017	16.00	13.80	15.95 13.60
	December, 2017	17.99	13.50	18.00 13.65
	January, 2018	20.75	15.00	21.20 15.00
	February, 2018	17.10	13.15	17.20 13.25
	March, 2018	25.00	12.55	25.35 14.80

X) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES: NOT APPLICABLE

XI) SHARE TRANSFER PROCEDURE:

Shareholders / Investors Grievance & Share Transfer Committee is empowered to approve transfer. All the transactions related to share transfer, change of address, dividend, share certificate etc., should be addressed to R&T Agent of the Company at the address mentioned in this Annual Report. Pursuant to Regulation 40 (9) SEBI (LODR) Regulations, 2015, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities.

XII) DISTRIBUTION OF SHAREHOLDING

- i) Shareholding Pattern Category wise as on 31st March, 2018

Category	No. of Shares held	% of holding
Promoters	17500000	58.33
Individual Shareholding – Upto Rs. 2 Lakhs	4887235	16.29
Individual Shareholding – More than Rs. 2 Lakhs	2597450	8.66
Trusts	0	0.00
HUF	927207	3.09
Foreign Individuals or NRI	105018	0.35

Clearing Members	469631	1.56
Bodies Corporate	3513459	11.71
Total	30000000	100.00

ii) Distribution of Share-holding as on March 31, 2018

SHAREHOLDING CATEGORY			NUMBER OF SHAREHOLDER	PERCENTAGE OF TOTAL	TOTALSHARES	PERCENTAGE OF TOTAL
1	to	500	3855	65.02	699591	2.33
501	to	1000	810	13.66	712076	2.37
1001	to	2000	479	8.08	773179	2.58
2001	to	3000	197	3.32	521731	1.74
3001	to	4000	170	2.87	584303	1.95
4001	to	5000	121	2.04	580314	1.93
5001	to	10000	154	2.60	1138847	3.80
10001	&	Above	143	2.41	24989959	83.30
Total			5929	100.00	30000000	100.00

XIII) DEMATERIALIZATION OF EQUITY SHARES AND LIQUIDITY:

The Company's shares are regularly traded on the 'Bombay Stock Exchange Limited' and 'National Stock Exchange of India Limited' in dematerialized form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.99% of the share capital are dematerialized as on 31st March, 2018.

XIV) REGISTRAR & TRANSFER AGENTS:

For transfer/dematerialization of shares, change of address of members and other queries.

LINK INTIME INDIA PVT LTD - C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai - 400083
Phone: 022-49186270 Fax: 022-49186060 Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

XV) ADDRESS OF CORRESPONDENCE:

Company Secretary & Compliance Officer, Vaswani Industries Ltd., Regd. Off.: Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur Chhattisgarh 493221, Phone: 0771-4226000
Fax: 0771-4226000,
Email: complianceofficer@vaswaniindustries.com, Website: www.vaswaniindustries.com

XVI) REQUEST TO INVESTORS

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company. Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the company. It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode. Shareholders holding shares in physical form who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form 2B. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.

XVII) RECONCILIATION OF SHARE CAPITAL AUDIT

A quarterly audit was conducted by a practicing company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2018 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. No paid up equity capital have been dematerialized as on 31st March 2018.

RAIPUR, 1st September, 2018

Yashwant Vaswani
(Whole-time Director)

Sudha Vaswani
(Director)

INDEPENDENT STATUTORY AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Vaswani Industries Limited
Bahesar Road, Near Cycle Park, Vill – Sondra
Phase-II, Industrial Area, Siltara
Raipur (C.G.) 493221

1. We have examined the compliance of conditions of Corporate Governance by Vaswani Industries Limited for the year ended 31st March, 2018 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither as assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FIRM REG. NO. 06620C

PLACE: RAIPUR (C.G.)
DATED: 30.05.2018

MANISH KUMAR SAHU
PARTNER
MEMBERSHIP NO: 423562

INDEPENDENT SECRETARIAL AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **Vaswani Industries Limited** for the year ended 31st March, 2018 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges and SEBI (LODR) Regulations, 2015.

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 Corporate Governance. It is neither an audit nor an 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 Agreement.

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

**For Satish Batra & Associates,
Company Secretaries,**

**PLACE: RAIPUR (C. G.)
DATED: 30.05.2018**

**Satish Kumar Batra
Proprietor
M. No.- FCS 1316
C.P. No. 2875**

CEO/CFO CERTIFICATION

We, Yashwant Vaswani, Whole-time Director, and Sudha Vaswani, Director of the Company do here by certify to the Board that:

- a. They we have reviewed financial statements and the cash flow statement for the year ending 31st March, 2018 and that to the best of their knowledge and belief :
 - 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. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such 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 indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we 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.

RAIPUR, 30th May, 2018

Yashwant Vaswani

Sudha Vaswani

(Whole-time Director)

(Director)

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
VASWANI INDUSTRIES LIMITED,
Bahesar Road, Near Cycle Park, Vill – Sondra
Phase-II, Industrial Area, Siltara
Raipur (C.G.) 493221

Dear Sir,

I undertake to comply with the conditions laid down in Sub-Clause of Clause 49 read with section 149 and schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

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

Independent Directors of Vaswani Industries Limited

Lekhu T Mulchandani – Independent Director DIN - 02801146 Date : 01/04/2018 Place : Raipur	Ashok Suri – Independent Director DIN - 00291897 Date : 01/04/2018 Place : Raipur	Sanjay Jadwani – Independent Director DIN - 05139093 Date : 01/04/2018 Place : Raipur	Satyawati Parashar – independent Director DIN – 00761009 Date: 01/04/2018 Place : Raipur
--	---	---	--

INDEPENDENT AUDITORS' REPORT

**TO
THE MEMBERS OF
VASWANI INDUSTRIES LTD.
RAIPUR**

Report on the Financial Statements

We have audited the accompanying financial statements of VASWANI INDUSTRIES LTD. ("The Company"), which comprise Balance Sheet as at March '31st 2018, Statement of Profit & Loss (including other comprehensive income), statement of changes in equity & Cash flow statement for the year ended then and a summary of Significant Accounting Policies and other Explanatory Information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, 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 the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought & obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 cash flow statement dealt with this report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the Basis of written representations received from the Directors as on March 31st, 2018, and taken on record by Board of Directors, two Directors are Mr. Ravi Vaswani & Pawan Kumar Jha are disqualified as on March 31st, 2018, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' to this report.
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements refer Note No. 29 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

FOR, AMITABH AGRAWAL & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.006620C

(MANISH KUMAR SAHU)
PARTNER
M.NO.423562

PLACE: RAIPUR (C.G.)
DATED: 30th May, 2018

ANNEXURE "A" TO THE AUDITORS' REPORT

**[Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of
our Report of even date to the members of
VASWANI INDUSTRIES LTD.
on the accounts of the company for the year ended 31st March, 2018]**

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The major assets have been physically verified by the management on a sample basis during the year and in our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies noticed on such verification.
 - c) We have inspected the original title deeds of immovable properties of the company held as fixed assets which are in the custody of the company. We have obtained third party confirmations in respect of immovable properties of the company held as fixed assets which are in the custody of third parties such as mortgages. Based on our audit procedures and the information and explanation received by us, we report that all title deeds of immovable properties of the company held as fixed assets are held in the name of the company. However, we express no opinion on the validity of the title of the company to these properties.
- (ii) As explained to us and according to the information provided by the management, the inventory has been physically verified at reasonable interval during the year by the management. The discrepancies noticed on verification between physical stock and book stocks, wherever ascertained were not significant and have been properly dealt in the books of the accounts.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable and hence not commented upon.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the act, with respect to the loans and investments made .The company has neither issued any guarantee nor has provided any security on behalf of any party.
- (v) In our opinion and according to the information and explanation given to us, the Company did not receive any deposits covered under section 73 to 76 of the company Act and rules framed there under with regards to deposits accepted from the public during the year.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made 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 these accounts & records with a view to determining whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, Employee State Insurance, income tax, sales tax, service tax, duty of Excise, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with the

appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

- b) However as per records and according to the information and explanation given to us, the following dues of sales tax, wealth tax, custom duty, excise duty, vat have not been deposited by the company with the concerned authorities on account of dispute :-

Name of the statute	Nature of the dues	Amount (Rs. In Lacs)	Period which amounts relate to	Forum where pending
Central Excise Laws	Excise Duty	139.64	2005-06 & 2006-07	Appellate Tribunal Delhi (CESTAT)
Central Custom Laws	Custom Duty	86.02	2012-13	Appellate Tribunal Bangalore (CESTAT)
Sales tax	Entry tax, CST,& VAT	0.57 42.72 6.30	2007-08	Commissioner Appeal Sales tax Raipur.
Sales tax	Entry tax, CST,& VAT	9.71 16.23	2008-09	Commissioner Appeal Sales tax Raipur
Sales tax	Entry tax, CST,& VAT	Nil 13.21	2009-10	Commissioner Appeal Sales tax Raipur
Sales tax	Entry tax, CST,& VAT	8.85 62.31	2010-11	Commissioner Appeal Sales tax Raipur
Central Excise Laws	Excise Duty	15.74	2014-15	Appellate Tribunal Delhi (CESTAT)
Sales Tax	Entry Tax	40.18	2011-12	Commissioner Appeal Sales tax Raipur

- (viii) According to the information & explanations given to us, the Company has not defaulted in repayment of the dues to financial institutions or banks or debenture holders.
- (ix) Based on the information and explanations given to us and records of the company examined by us, the company has not raise money by way of further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V of the act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us, and based on our examination of the records of the company, the transactions with the related parties are in compliance with Section 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by applicable accounting standards wherever required.
- (xiv) According to the information and explanations given to us, and based on our examination of the records of the company, the Company has not made any preferential allotment or private

placement of shares or fully or partly convertible debentures during the year, hence reporting under paragraph 3(xiv) of the Order is not applicable.

- (xv) According to the information and explanations given to us, and based on our examination of the records of the company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013. Accordingly, clause 3 (xv) of the order is not applicable to the Company and hence not commented upon.
- (5) (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**FOR, AMITABH AGRAWAL & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.006620C**

**(MANISH KUMAR SAHU)
PARTNER
M.NO.423562**

**PLACE: RAIPUR (C.G.)
DATED: 30th May, 2018**

ANNEXURE B TO THE AUDITORS' REPORT

[Referred to in paragraph 2 (F) under "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of VASWANI INDUSTRIES LTD(' the Company') as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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, AMITABH AGRAWAL & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.006620C**

**MANISH KUMAR SAHU
(Partner)
M.NO.423562**

**PLACE: RAIPUR (C.G.)
DATED: 30th May, 2018**

BALANCE SHEET & PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2018

S.NO.	Particulars	Note	As at Mar 31, 2018	As at Mar 31, 2017
			2017-2018	2016-2017
I	ASSETS			
A	Non- current Assets			
a	Property ,Plant & equipment	1	574,866,579	620,336,459
b	Capital Work in progress		-	-
c	Investment property		-	-
d	Goodwill		-	-
e	Other Intangible Assets		-	-
f	Intangible assets under development		-	-
g	Biological Assets other than bearer plants		-	-
h	Financial Assets			
(i)	Investments	2	23,316,858	70,687,450
(ii)	Trade receivables		-	-
(iii)	Loans & Advances	3	136,483,073	108,454,172
i	Deferred tax assets (net)		-	-
j	Other non-current assets	4	47,417,019	53,417,019
	Total Non Current Assets	A	782,083,530	852,895,100
B	Current assets			
a	Inventories	5	311,115,504	320,470,760
b	Financial Assets			
(i)	Investments		-	-
(ii)	Trade receivables	6	408,857,530	262,968,576
(iii)	Cash and cash equivalents	7	(2,166,551)	(359,737)
(iv)	Bank balances other than(iii) above	8	-	-
(v)	Loans & Advances	3	185,802,487	137,127,245
c	Current Tax Assets (Net)		-	-
d	Other current assets	4	19,917,879	25,106,265
	Total Current Assets	B	923,526,849	745,313,108
	Total Assets	I=(A+B)	1,705,610,379	1,598,208,208
II	Equity and Liabilities			
	Equity			
a	Equity Share Capital	9	300,000,000	300,000,000
b	Other Equity	10	565,139,428	563,115,654
	Total Equity	II	865,139,428	863,115,654
III	Liabilities			
A	Non Current Liabilities			
a	Financial Liabilities			
i.	Borrowings	11	67,150,037	36,109,023
ii.	Trade payables		-	-
iii.	Other financial liabilities (other than those specified in item (b))		-	-
b	Provisions	14	4,533,808	3,377,958
c	Deferred tax liabilities (Net)		8,679,711	28,457,857
d	Other non-current liabilities	12	-	-
	Total Non Current Liabilities	A	80,363,556	67,944,837
B	Current Liabilities			
a	Financial Liabilities			
i.	Borrowings	11	412,230,508	386,231,524
ii.	Trade payables	13	252,423,047	264,753,825
iii.	Other financial liabilities (other than those specified in item ('c))		-	-
b	Other current liabilities	12	3,727,630	3,456,438
c	Provisions	14	91,726,211	12,705,931
d	Current Tax Liabilities (Net)		-	-
	Total Current Liabilities	B	760,107,396	667,147,717
	Total Liabilities	III=(A+B)	840,470,951	735,092,555
	Total Equity and Liabilities	II+ III	1,705,610,379	1,598,208,209

The accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date attached

For, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FIRM REG NO. - 006620C

(MANISH KUMAR SAHU)
PARTNER
MEMBERSHIP NO: 423562
Place: Raipur
Date: 30.05.2018

BY ORDER OF THE BOARD
FOR VASWANI INDUSTRIES LIMITED

YASHWANT VASWANI
DIRECTOR
DIN:01647208

SUDHA VASWANI
DIRECTOR
DIN:02909309

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

S.NO	Particulars		Year ended	
			31st March 2018	31st March 2017
			(Audited)	(Audited)
I	Revenue From Operations	15	2,431,783,982	2,803,528,226
	Less: Excise Duty		(58,546,402)	(248,422,252)
II	Other Income	16	2,373,237,580	2,555,105,974
III	Total Income from Operations	I+II	2,377,907,553	2,559,074,209
IV	EXPENSES			
	a. Cost of Materials Consumed	17	1,528,551,174	1,609,076,298
	b. Cost of Traded Goods		235,490,498	354,416,123
	c. Changes in Inventories of Finished Goods & Tarded Goods	18	14,406,272	27,380,290
	d. Employees Benefits Expenses	19	36,062,178	33,724,976
	e. Finance Costs	20	87,255,525	92,413,955
	f. Depreciation and Amortisation Expenses		53,932,176	57,447,457
	g. Other Expenses	21	396,910,292	368,078,751
	Total expenses (a+b+c+d+e+f+g)	IV	2,352,608,115	2,542,537,850
V	Profit/Loss before exceptional items and tax	(III-IV)	25,299,438	16,536,359
VI	Exceptional items		-	-
VII	Profit/Loss before and tax	V-VI	25,299,438	16,536,359
VIII	Tax Expense			
	a) Current Tax		5,111,700	3,343,500
	Less: MAT Credit		(5,111,700)	(3,343,500)
	b) Deferred Tax		(19,778,146)	(1,161,962)
IX	Profit/(loss) for the period	VII-VIII	45,077,584	17,698,321
X	Other comprehensive income			
	A. (i) Items that will not be reclassified to profit and loss:		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the period	IX+X	45,077,584	17,698,321
	[Comprising Profit (Loss) and Other comprehensive Income for the period]			
XII	Paid-up Share Capital (par value Rs. 10/- each fully paid up)		30,000,000	30,000,000
XIII	Earnings per equity share (Par value Rs. 10 each)			
	i) Basic		1.50	0.59
	ii) Diluted		1.50	0.59

The accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date attached

For, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FIRM REG NO. - 006620C

BY ORDER OF THE BOARD
FOR VASWANI INDUSTRIES LIMITED

(MANISH KUMAR SAHU)
PARTNER
MEMBERSHIP NO: 423562

YASHWANT VASWANI
DIRECTOR
DIN:01647208

SUDHA VASWANI
DIRECTOR
DIN:02909309

Place: Raipur
Date: 30.05.2018

CASH FLOW STATEMENT AS AT 31ST MARCH, 2018

	(Amount in Rs.) Year 2017-18	(Amount in Rs.) Year 2016-17
'A) Cash Flow From Operating Activities :-		
1. Net Profit/(Loss) before Taxes and Exceptional Items	25,299,438	16,536,359
Adjustments for:-		
Depreciation	53,932,176	57,447,457
Interest Charged to P & L A/c	87,255,525	92,413,955
Interest received from parties	0	0
Other Non cash items	4,316,781	2,953,770
2. Operating Profit before Working Capital Changes	170,803,920	169,351,541
Adjustments for:-		
Decrease/(Increase) in trade & other receivables	(211,404,712)	(133,879,155)
Decrease/(Increase) in Inventories	9,355,256	45,064,460
Increase/(Decrease) in Payables	68,116,545	(41,053,088)
Cash generated from Operations	36,871,009	39,483,758
Direct Taxes Paid	-	-
Net Cash from Operating Activity(A)	36,871,009	
'B) Cash Flow From Investing Activities :-		
Purchase of Fixed Assets	(8,462,295)	(5,342,644)
Sale of Fixed Assets	-	-
Decrease / (increase) in Capital Work in Progress	-	-
Payment for Misc. Assets	-	-
Misc. Expenses Capitalized (IPO Exp.)	-	-
Purchase of Investment	-	-
Dividend Received	-	-
Sale of Investment	-	3,358,200
Net Cash from Investing Activity (B)	(8,462,295)	(1,984,444)
'C) Cash Flow From Financing Activities :-		
Proceeds from Unsecured Loans (Net)	-	-
Proceed from Bank Borrowing (Net)	57,039,998	2,668,240
Monies received towards Share Capital & application	-	(92,413,955)
Monies received towards Share Premium	-	-
Interest Paid	(87,255,525)	-
Interest received from parties	-	-
Corporate Dividend Tax Paid on Equity dividend	-	-
'Net Cash From Financing Activities (C)	(30,215,527)	(89,745,715)
'D) Net Increase / (Decrease) in Cash & Cash Equivalents ((A)+(B)+(C))	(1,806,814)	(52,246,401)
E) Cash and Cash Equivalent at beginning of the Year	(359,737)	51,886,664
F) Cash and Cash Equivalent at end of the Year (D+E)	(2,166,551)	(359,737)

NOTE:-

1. Previous Year figures have been regrouped / recast wherever necessary.

The accompanying notes form an integral part of Standalone Financial Statements

As per our report of even date attached

For, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FIRM REG NO. - 006620C

BY ORDER OF THE BOARD
FOR VASWANI INDUSTRIES LIMITED

(MANISH KUMAR SAHU)
PARTNER
MEMBERSHIP NO: 423562

YASHWANT VASWANI SUDHA VASWANI
DIRECTOR DIRECTOR
DIN:01647208 DIN:02909309

Place: Raipur
Date: 30.05.2018

STATEMENT OF CHANGES IN EQUITY

A. Equity Share capital

Balance as at April 1, 2017 (In Rupees)	Changes in equity Share Capital during the Year	Balance as at March 31, 2018 (In Rupees)
30000000	0	30000000

Balance as at April 1, 2016 (In Rupees)	Changes in equity Share Capital during the Year	Balance as at March 31, 2017 (In Rupees)
286547000	13453000	300000000

B. Other Equity

		Share application on money pending allotment	Equity component of compound financial instrument	Reserve and Surplus					Total
				Capital Reserve	Securities Premium Reserve	General Reserve	Misc. Expenditure	Retained Earning (Surplus/deficit in profit & loss account)	
Balance as at April, 2017	A				486477229	5,702,449	(7,056,065)	77,992,041	563,115,654
Profit for the year	B				-	4,507,758	-	45,077,584	49,585,342
Other Comprehensive Income	C				-	-	-	(46,568,051)	(46,568,051)
Transfer to the P/L account	D				-	-	3,514,240	-	3,514,240
Total comprehensive Income for the year	E=B+C				-	4,507,758	-	(1,490,467)	3,017,291
Dividends	F							-	-
Transfer to General Reserve	G							4,507,758	4,507,758
Balance as at March, 2018	H				486,477,229	10,210,207	(3,541,825)	71,993,816	565,139,427
Balance as at April, 2016	A				486,477,229	3,932,617	(10,570,305)	62,063,552	541,903,093
Profit for the year	B					1,769,832		17,698,321	19,468,153
Other Comprehensive Income	C								
Transfer to the P/L account	D						3,514,240		3,514,240
Total comprehensive Income for the year	E=B+C					1,769,832		17,698,321	19,468,153
Dividends	F								
Transfer to General Reserve	G							1,769,832	1,769,832
Balance as at March, 2017	H				486,477,229	5,702,449	(7,056,065)	77,992,041	563,115,654

For, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FIRM REG NO. - 006620C

BY ORDER OF THE BOARD
FOR VASWANI INDUSTRIES LIMITED

(MANISH KUMAR SAHU)
PARTNER
MEMBERSHIP NO: 423562

YASHWANT VASWANI SUDHA VASWANI
DIRECTOR DIRECTOR
DIN:01647208 DIN:02909309

Place: Raipur
Date: 30.05.2018

NOTE 1 PROPERTY, PLANT & EQUIPMENT

NAME OF ASSETS	OPENING BALANCE AS ON 01.04.2017	ADDITIO N DURING THE YEAR	DED UCT ION /AD JUST ME NTS DUR ING THE YEA R	TOTAL AS ON 31.03.2018	RA TE OF DE P.	DEP. OPENING AS ON 01.04.2017	DEPRICIATI ON DURING THE PERIOD	DEP ON DED UCTI ON/ WIT HDR AWN DURI NG THE PERI OD	DEP ON NILL ASSE TS ADJU . THR U. RESE RVES	NET DEPREC IATION CHARG EABLE DURING THE PERIOD	DEP WITHD RAWAN	TOTAL AS ON 31.03.2018	BALANCE AS ON 31.03.2018	BALANCE AS ON 31.03.2017
SPONGE DIVISION														
FREEHOLD LAND	12,228,635	-	-	12,228,635	-	-	-					-	12,228,635.00	12,228,635.00
GARDEN	111,169			111,169	0	111,169	-		-	-		111,169	-	-
SITE DEVELOPM ENT & BOREWELL	2,549,436			2,549,436	0	2,549,436	-		-	-		2,549,436	-	-
BUILDING & CIVIL WORK (SPONGE)	52,845,029	35,032		52,880,061	0	15,872,026	1,907,561.00		-	1,907,561		17,779,587	35,100,474.00	36,973,003.00
PLANT & MACHINER Y (K-1)	79,538,883			79,538,883	0	45,367,606	2,671,827.00			2,671,827		48,039,433	31,499,450.00	34,171,277.00
PLANT & MACHINER Y (K-2)	70,091,840	-		70,091,840	0	36,841,312	2,599,835.00			2,599,835		39,441,147	30,650,693.00	33,250,528.00
PLANT & MACHINER Y (K-3)	80,361,934	-		80,361,934	0	26,412,541	3,173,494.00			3,173,494		29,586,035	50,775,899.00	53,949,393.00
PLANT & MACHINER Y (CRUSHER DIVISION)	35,481,414	-		35,481,414	0	8,032,534	2,442,399.00			2,442,399		10,474,933	25,006,481.00	27,448,880.00
JAW CRUSHER	716,674			716,674	0	543,264	76,622.00			76,622		619,886	96,788.00	173,410.00
TOOLS & EQUIPMEN TS	55,508			55,508	0	42,906	5,568.00			5,568		48,474	7,034.00	12,602.00
POLLUTION CONTROL EQ. (SPONGE)	30,348,267	-		30,348,267	0	19,440,980	2,991,763.00	-		2,991,763		22,432,743	7,915,524.00	10,907,287.00
COMMERCIA L VEHICLE	-			-		-						-	-	-
VEHICLE (JCB Loader)	15,691,053	-		15,691,053	0	7,214,314	1,339,855.82		-	1,339,856		8,554,170	7,136,883.59	8,476,739.41
TRUCK CG04 G/2426 & CG04JA/5013 5012	880,000	400,000		1,280,000		435,358	106,032.58			106,033		541,391	738,609.42	444,642.00
MINI BUS	860,716	-		860,716	0	860,716	-		-	-		860,716	-	-
CG04JB/0822(DI 207)	452,430			452,430	0	452,430	-		-	-		452,430	-	-
ELECTRICAL INSTALLATIO N (K-1)	7,959,294			7,959,294	0	7,959,294	-			-		7,959,294.00	-	-
ELECTRICAL INSTALLATIO N (K-2)	8,396,093			8,396,093	0	8,396,093	-		-	-		8,396,093	-	-
ELECTRICAL INSTALLATIO N (K-3)	13,503,821			13,503,821	0	10,719,296	2,300,259.00		-	2,300,259		13,019,555	484,266.00	2,784,525.00
GENERATOR SET (500KVA)	2,250,000		-	2,250,000	0	999,044	39,416.00			39,416		1,038,460	1,211,540.00	1,250,956.00
OFFICE EQUIPMENTS (SPONGE)	981,565			981,565	0	981,565	-			-		981,565	-	-
COMPUTER & SOFTWARE (SPONGE)	3,462,293	2,421,708	-	5,884,001	0	3,435,313	180,493.29		-	180,493		3,615,806	2,268,194.33	26,980.00
FURNITURE & FIXTURES (SPONGE)	705,887	54,297		760,184	0	671,066	24,796.00		-	24,796		695,862	64,321.63	34,820.75
LAB EQUIPMENT	576,474	-		576,474	0	576,474	-		-	-		576,474	-	-

										-		-	-	-
CG 04HN 8164 (HERO MOTORCYCLE)	43,700	-		43,700	0	17,793	5,931.00		0	5,931		23,724	19,976.00	25,907.00
CG18B8789(MOTORCYCLE)	18,500	-		18,500	0	12,983	2,438.00			2,438		15,421	3,079.00	5,517.00
CG04K9343(CD DAWN)	39,315			39,315	0	20,555	4,294.00			4,294		24,849	14,466.00	18,760.00
		-		-	0					-		-	-	-
FOUR WHEELER	-			-		-						-	-	-
														-
MARUTI VAN CG04 HA/4204	82,000	-		82,000	0	41,369	12,253.00			12,253		53,622	28,378.00	40,631.00
AUDI Q5 CAR	4,983,466			4,983,466	0	4,827,097	156,369.00			156,369		4,983,466	-	156,369.00
WEIGHING MACHINE (SPONGE)	910,443			910,443	0	379,728	70,515.00			70,515		450,243	460,200.00	530,715.00
BMW 520 DM SPORT CAR	-	4,555,516		4,555,516		-	407,578.26			407,578		407,578	4,147,937.55	-
MARUTI VAN CG 04 HC 8202	-	200,000		200,000		-	8,493.00			8,493		8,493	191,507.00	-
MARUTI SWIFT	0.00	795,743		795,743		-	11,990.66			11,990.66		11,991	783,752.34	-
TOTAL	426,125,839	8,462,295	-	434,588,134.47		203,214,262	20,539,783.60	-	-	20,539,783.83	-	223,754,045.60	210,834,088.87	222,911,577.16
PREVIOUS YEAR TOTAL	420,783,195	5,342,644	-	426,125,839		182,130,852	21,083,409.75	-	-	21,083,410	-	203,214,262	222,911,577.16	238,652,342.91

NAME OF ASSETS	OPENING BALANCE AS ON 01.04.2017	ADDITI ON DURING THE YEAR	DEDU CTION /ADJU STMEN TS DURING THE YEAR	TOTAL AS ON 31.03.2018	RA TE OF DE P.	DEP. OPENING AS ON 01.04.2017	DEPRICIATIO N DURING THE PERIOD	DEP ON DED UCTI ON/ WIT HDR AWN DURI NG THE PERI OD	DE P ON NIL AS SET S ADJ U. TH RU. RE SE RV ES	NET DEPRECIATI ON CHARGEABL E DURING THE PERIOD	DE P W IT H D R A W A N	TOTAL AS ON 31.03.2018	BALANCE AS ON 31.03.2018	BALANCE AS ON 31.03.2017
SPONGE DIVISION														
FREEHOLD LAND	12,228,635	-	-	12,228,635	-	-	-					-	12,228,635.00	12,228,635.00
GARDEN	111,169			111,169	0	111,169	-		-	-		111,169	-	-
SITE DEVELOPMENT & BOREWELL	2,549,436			2,549,436	0	2,549,436	-		-	-		2,549,436	-	-
BUILDING & CIVIL WORK (SPONGE)	52,845,029	35,032		52,880,061	0	15,872,026	1,907,561.00		-	1,907,561		17,779,587	35,100,474.00	36,973,003.00
PLANT & MACHINE RY (K-1)	79,538,883			79,538,883	0	45,367,606	2,671,827.00			2,671,827		48,039,433	31,499,450.00	34,171,277.00
PLANT & MACHINE RY (K-2)	70,091,840	-		70,091,840	0	36,841,312	2,599,835.00			2,599,835		39,441,147	30,650,693.00	33,250,528.00
PLANT & MACHINE RY (K-3)	80,361,934	-		80,361,934	0	26,412,541	3,173,494.00			3,173,494		29,586,035	50,775,899.00	53,949,393.00
PLANT & MACHINE RY	35,481,414	-		35,481,414	0	8,032,534	2,442,399.00			2,442,399		10,474,933	25,006,481.00	27,448,880.00

(CRUSHER DIVISION)														
JAW CRUSHER	716,674			716,674	0	543,264	76,622.00			76,622		619,886	96,788.00	173,410.00
TOOLS & EQUIPMENTS	55,508			55,508	0	42,906	5,568.00			5,568		48,474	7,034.00	12,602.00
POLLUTION CONTROL EQ. (SPONGE)	30,348,267	-		30,348,267	0	19,440,980	2,991,763.00	-		2,991,763		22,432,743	7,915,524.00	10,907,287.00
COMMERCIAL VEHICLE	-			-		-						-	-	-
VEHICLE (JCB Loader)	15,691,053	-		15,691,053	0	7,214,314	1,339,855.82		-	1,339,856		8,554,170	7,136,883.59	8,476,739.41
TRUCK CG04 G/2426 & CG04JA/5013 5012	880,000	400,000		1,280,000		435,358	106,032.58			106,033		541,391	738,609.42	444,642.00
MINI BUS	860,716	-		860,716	0	860,716	-		-	-		860,716	-	-
CGO4JB/0822(DI 207)	452,430			452,430	0	452,430	-		-	-		452,430	-	-
ELECTRICAL INSTALLATION (K-1)	7,959,294			7,959,294	0	7,959,294	-			-		7,959,294.00	-	-
ELECTRICAL INSTALLATION (K-2)	8,396,093			8,396,093	0	8,396,093	-		-	-		8,396,093	-	-
ELECTRICAL INSTALLATION (K-3)	13,503,821			13,503,821	0	10,719,296	2,300,259.00		-	2,300,259		13,019,555	484,266.00	2,784,525.00
GENERATOR SET (500KVA)	2,250,000		-	2,250,000	0	999,044	39,416.00			39,416		1,038,460	1,211,540.00	1,250,956.00
OFFICE EQUIPMENTS (SPONGE)	981,565			981,565	0	981,565	-			-		981,565	-	-
COMPUTER & SOFTWARE (SPONGE)	3,462,293	2,421,708	-	5,884,001	0	3,435,313	180,493.29		-	180,493		3,615,806	2,268,194.33	26,980.00
FURNITURE & FIXTURES (SPONGE)	705,887	54,297		760,184	0	671,066	24,796.00		-	24,796		695,862	64,321.63	34,820.75
LAB EQUIPMENT	576,474	-		576,474	0	576,474	-		-	-		576,474	-	-
										-		-	-	-
CG 04HN 8164 (HERO MOTORCYCLE)	43,700	-		43,700	0	17,793	5,931.00		0	5,931		23,724	19,976.00	25,907.00
CG18B8789(MOTORCYCLE)	18,500	-		18,500	0	12,983	2,438.00			2,438		15,421	3,079.00	5,517.00
CG04K9343(CD DAWN)	39,315			39,315	0	20,555	4,294.00			4,294		24,849	14,466.00	18,760.00
		-		-	0					-		-	-	-
FOUR WHEELER	-			-		-						-	-	-
														-
MARUTI VAN CG04 HA/4204	82,000	-		82,000	0	41,369	12,253.00			12,253		53,622	28,378.00	40,631.00

AUDI Q5 CAR	4,983,466			4,983,466	0	4,827,097	156,369.00			156,369		4,983,466	-	156,369.00
WEIGHING MACHINE (SPONGE)	910,443			910,443	0	379,728	70,515.00			70,515		450,243	460,200.00	530,715.00
BMW 520 DM SPORT CAR	-	4,555,516		4,555,516	-	-	407,578.26			407,578		407,578	4,147,937.55	-
MARUTI VAN CG 04 HC 8202	-	200,000		200,000	-	-	8,493.00			8,493		8,493	191,507.00	-
MARUTI SWIFT	0.00	795,743		795,743	-	-	11,990.66			11,990.66		11,991	783,752.34	-
TOTAL	426,125,839	8,462,295	-	434,588,134.47		203,214,262	20,539,783.60	-	-	20,539,783.83	-	223,754,045.60	210,834,088.87	222,911,577.16
PREVIOUS YEAR TOTAL	420,783,195	5,342,644	-	426,125,839		182,130,852	21,083,409.75	-	-	21,083,410	-	203,214,262	222,911,577.16	238,652,342.91

NOTE 2 NON CURRENT INVESTMENTS

Particulars	As at 31 March, 2018	As at 31 March, 2017
<u>Investment In Equity Instruments</u>		
<u>Quoted Shares</u>		
Reliance Power Limited	1,069	7,310
26 (PY 26) Shares of Rs 10 each		
<u>Unquoted Shares</u>		
Vaswani Ispat Limited 5000 (PY 5000) Shares of Rs 10 each	50,000	50,000
Vimla Infrastructure (I) Pvt. Ltd. 510 (PY 510) Shares of Rs 10 each	1,432,269	51,000
Shubh Infrastructures Limited 7134 (PY 7134) Shares of Rs 10 each	71,340	71,43
7134 (PY 7134) Shares of Rs 10 each 1175466 (PY 1175466) Shares of Rs 10 each	8,521,645	8,396,460
CG Ispat Pvt. Ltd. 2077250 (PY 2077250) Shares of Rs 10 each	13,240,536	62,111,250
TOTAL:	23,316,858	70,687,450
Aggregate Amount of Quoted Investment	1,069	7,310
Aggregate Amount of Unquoted Investment	23,315,789	70,680,140

NOTE 3 LOANS & ADVANCES

A: NON CURRENT

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Loans & Advances to Related Parties	475,000	475,000
Unsecured, considered good		
(b) Deposits	93,218,334	70,371,033
Unsecured, considered good		
(c) MAT Credit Entitlement	42,789,739	37,608,139
TOTAL	136,483,073	108,454,172

B: CURRENT

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Advance to Employees	622,792	1,447,386
(b) Advance to Suppliers of Raw Materials & Others	164,964,051	117,820,003
(c) Balances with government authorities	16,100,561	13,647,043
(d) Other Advances	4,115,083	4,212,813
TOTAL	185,802,487	137,127,245

NOTE 4: OTHER ASSETS
A: NON CURRENT ASSETS

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Long-term trade receivables		
Trade receivables outstanding for a period exceeding one year from the date they were due for payment		
Unsecured, considered good	-	-
Unsecured ,Considered doubtful	47,417,019	53,417,019
TOTAL	47,417,019	53,417,019

B: CURRENT ASSETS

Particulars	As at 31 March, 2018	As at 31 March, 2017
Interest Accrued But not Due	588,567	260,142
TCS Receivable	938,725	763,509
TDS Receivable	386,727	544,473
Income Tax Refundable AY (2013-14)	769,529	769,529
Advance Payment of Income Tax	-	2,000,000
Advance Payment of Income Tax	4,000,000	-
Prepaid Expenses	1,875,757	441,610
VAT Receivable	1,785,096	17,837,692
GST Receivable (For Import Coal)	6,155,293	-
GST Receivable (RCM)	928,876	-
Deposit with CG Ispat Bhumi Limited	1,200,000	1,200,000
Entry Tax Receivable	1,289,310	1,289,310
TOTAL	19,917,879	25,106,265

NOTE 5: INVENTORIES

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Raw Material		
Iron Ore	59,980,139	89,299,865
Coal (SID)	104,737,985	83,840,347
Dolomite	1,252,285	233,360
MS Scrap	13,431,088	996,553
Pig Iron	37,961	225,671

Ferro Silicon	417,262	80,554
Sponge Iron	2,828,502	461,709
Silico Manganese	1,528,024	2,274,973
Petro Coke (CPC)	114,310	625,247
Coal (Power)	50,717	309,907
Total (a)	184,378,273	178,348,186
(b) Stores		
Sponge Iron Division	18,668,102	19,053,367
Steel Division	28,468,102	29,262,693
Power Division	5,233,927	5,033,142
Total (b)	52,370,131	53,349,202
(c) Finished Goods		
Sponge Iron	10,375,354	9,862,303
Char & Dolochar	131,144	364,909
Billets	15,724,576	28,142,347
End Cutting	982,626	864,765
Slag Scrap	408,450	1,660,819
Ingot	3,120,006	4,804,030
Runner Riser	894,730	428,518
Fly Ash	117,214	32,681
Total (c)	31,754,100	46,160,372
(d) Traded Goods		
Land	42,613,000	42,613,000
Total (d)	42,613,000	42,613,000
TOTAL (a)+(b)+(c)+(d)	311,115,504	320,470,760

NOTE 6: TRADE RECEIVABLES

Particulars	As at 31 March, 2018	As at 31 March, 2017
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	106,930,954	130,989,434
Trade receivables others		
Unsecured, considered good	301,926,576	131,979,142
TOTAL	408,857,530	262,968,576

NOTE 7: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Cash in hand	754,183	316,907
(b) Balance with Banks in Current Accounts	(2,920,734)	(676,644)
TOTAL	(2,166,551)	(359,737)

NOTE 8: OTHER BALANCES WITH BANK

Particulars	As at 31 March, 2018`	As at 31 March, 2017
(a) Earmarked Balances with Bank	-	-
TOTAL	-	-

NOTE 9: EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares		Number of shares	
(a) Authorised				
Equity shares of ` 10 each with voting rights	34,750,000	347,500,000	34,750,000	347,500,000
Preference shares of ` 10 each	250,000	2,500,000	250,000	2,500,000
(b) Issued				
Equity shares of ` 10 each with voting rights	30,000,000	300,000,000	30,000,000	300,000,000
(c) Subscribed and fully paid up				
Equity shares of ` 10 each with voting rights	30,000,000	300,000,000	30,000,000	300,000,000

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Other changes	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2018				
- Number of shares	30,000,000	-	-	30,000,000
- Amount (`)	300,000,000	-	-	300,000,000
Year ended 31 March, 2017				
- Number of shares	28,654,700	1,345,300	-	30,000,000
- Amount (`)	286,547,000	13,453,000	-	300,000,000
- Amount (`)	2,865,470,000	134,530,000	-	3,000,000,000

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
<u>Equity shares with voting rights</u>				
Ravi Vaswani	8,492,160	28.31	8,492,160	28.31
Yashwant Ravi Vaswani	2,910,840	9.70	2,910,840	9.70
Manisha Vaswani	1,922,175	6.41	1,922,175	6.41
Sudha Vaswani	4,113,825	13.71	4,113,825	13.71

Note 10 OTHER EQUITY

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Securities premium account		
Opening balance	486,477,229	486,477,229
Add: Addition during the Year	-	-
Less: Utilized during the year	-	-
Closing balance	486,477,229	486,477,229
(b) General reserve		
Opening balance	5,702,449	3,932,617
Add: Transfer during the year	4,507,758	1,769,832
Closing balance	10,210,207	5,702,449
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	77,992,041	62,063,552
Add: Profit / (Loss) for the year	45,077,584	17,698,321
Less : Transfer to General Reserve	(4,507,758)	(1,769,832)
Closing balance	118,561,867	77,992,041
(d) Other Comprehensive Income	(46,568,051)	-
(e) Misc. Expenditure	(3,541,825)	(7,056,065)
TOTAL	565,139,428	563,115,654

NOTE 11: BORROWINGS**A. NON CURRENT**

Particulars	As at 31 March, 2018	As at 31 March, 2017
<u>SECURED LOANS</u>		
Term Loan From SBI	-	2,277,996
HDFC Bank Ltd. (Loader)	2,620,392	5,052,737
BMW India Financial Limited	1,644,540	-
India Bulls Financial Services Pvt. Ltd.	62,885,105	277,290
Total Secured Loan	67,150,037	7,608,023
<u>UNSECURED FROM DIRECTORS</u>		
Pramod Vaswani	-	1,148,000
Ravi Vaswani	-	15,465,000
Yashwant Vaswani	-	11,888,000
Total Unsecured Loan	-	28,501,000
Total	67,150,037	36,109,023

B. CURRENT

Particulars	As at 31 March, 2018	As at 31 March, 2017
Cash credit with SBI, Raipur -5840	13,899,480	177,004,572

Cash credit with IDBI Bank Ltd a/c-0073	107,868,083	88,995,082
State Bank of India-slc (35172496455)	50,559,015	50,581,827
Cash credit with BOB, SSI branch, Raipur -16	69,873,936	69,650,043
State Bank of India demand loan (37234159154)	163,133,204	-
Current maturities of long term debt	6,896,790	-
	412,230,508	386,231,524

NOTE 12: OTHER LIABILITIES
A. NON CURRENT

Particulars	As at 31 March, 2018	As at 31 March, 2017
TOTAL		

B. CURRENT

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Other payables		
- Advance from Customer	3,727,630	3,456,438
TOTAL	3,727,630	3,456,438

NOTE 13 TRADE PAYABLES

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
Creditor for Raw Material	208,248,270	211,071,465
Creditor for Expenses & Services	20,061,141	33,433,018
Creditors For Stores (Steel)	15,997,511	15,481,958
Creditors For Stores (Power)	8,116,125	4,767,384
	252,423,047	264,753,825

NOTE 14 PROVISIONS

A. NON CURRENT

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
Provision for Employee Benefit (Gratuity)	4,533,808	3,377,958
	4,533,808	3,377,958

B. CURRENT

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
Provision for Employee Benefit		
- Salary Payable	2,855,844	2,351,666
- Bonus Payable	-	148,730
- Gartuity	130,075	-
Provision for Tax		
- Income Tax	5,181,600	3,343,500
Other Provisions		
- ESI Payable	88,416	65,419
- PF Payable	162,057	120,289
- Entry Tax Payable	-	364,975
- Excise Duty Payable	-	5,168,177
- TDS Payable	702,164	541,532
- Service Tax Payable	-	553,207
- Swachh Bharat Payable	-	6,727
- GST Payable (RCM)	928,876	-
- GST Payable	68,357,794	-
- Electricity Duty Payable	13,319,385	-
- Krishi Kalyan Cess Payable	-	41,709
	91,726,211	12,705,931

Note 15 Revenue from operations

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a)	<u>Sale of products</u>		
	Manufactured Goods	2,090,132,940	2,020,563,929
	Traded Goods	281,915,408	532,930,722
		2,372,048,349	2,553,494,651
	Add: Excise Duty	58,546,402	248,422,252
	Total (a)	2,430,594,751	2,801,916,903
b)	<u>Other Operating Revenue</u>		
	Contract Receipt	1,189,232	1,611,323
	Total (b)	1,189,232	1,611,323
	Total (a)+(b)	2,431,783,982	2,803,528,226

Note 16 Other income

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a)	Interest Income	3,436,081	2,578,778
(b)	Rent Income	575,000	737,000
(c)	Interest Received on Bill Purchased	658,892	652,457
	Total	4,669,973	3,968,235

Note 17 Cost of Material Consumed

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
a)	<u>Sponge Division</u>		
	(i) Iron Ore		
	Opening Stock	89,299,865	60,040,017
	Add: Purchase	406,823,942	455,382,027
	Add: Entry Tax Paid	120,467	2,393,650
	Add: Analysis & Security Charges	10,000	11,500
	Add: Freight Inward & Unloading Charges	76,763,748	192,405,821
		573,018,022	710,233,015
	Less: Cost of Trading Purchase	20,217,650	70,847,708
	Less: Closing Stock	59,980,139	89,299,865
	Iron Ore Consumed	492,820,233	550,085,442
	(ii) Coal		
	Opening Stock	83,840,347	87,700,059
	Add: Purchase	407,116,710	374,514,200
	Add: Security Charges	-	499,329
	Add: Freight Inward & Unloading Charges	110,877,304	106,317,170
		601,834,361	569,030,758
	Less: Transfer to Power Division	71,960,213	59,444,940
	Less: Cost of Trading Purchase	75,289,568	73,514,425
	Less: Quality Difference	1,679,614	-
	Less: Ground Loss of Coal Washing	-	1,007,690
	Less: Closing Stock	104,737,985	83,840,347
	Coal Consumed	348,166,982	351,223,357
	(iii) Dolomite		
	Opening Stock	233,360	221,783
	Add: Purchase	5,135,879	4,674,733
	Add: Freight Inward & Unloading Charges	6,534,477	4,421,453
	Add: Entry Tax Paid	7,695	41,585
		11,911,411	9,359,554
	Less: Closing Stock	1,252,285	233,360
	Dolomite Consumed	10,659,126	9,126,194
	(iv) Stores & Spares		
	Opening Stock	19,053,367	22,161,978
	Add: Purchase	34,180,095	18,723,762
		53,233,462	40,885,740
	Less: Closing Stock	18,668,102	19,053,367
	Stores Consumed	34,565,360	21,832,373
	Total (a): Material Consumed Sponge Division	886,211,701	932,267,366

b)	<u>Steel Division</u>		
	(i) MS Scrap		
	Opening Stock	996,553	1,232,582
	Add: Purchase	423,686,585	370,195,834
	Add: Carriage Inward	4,465,531	4,037,609
	Add: Loading & Unloading Charges	148,670	170,443
	Add: Rate Difference	(36,843)	73,001
	Add: Entry Tax	17,236	29,384
		429,277,733	375,738,853
	Less: Cost of Trading Purchase	113,573,250	47,654,710
	Less: Closing Stock	13,431,088	996,553
	MS Scrap Consumed	302,273,395	327,087,590
	(ii) Pig Iron		
	Opening Stock	225,671	11,932,864
	Add: Purchase	83,387,301	132,254,187
	Add: Carriage Inward & Freight	4,465,531	4,037,609
	Add: Entry Tax	-	317,456
		88,078,503	148,542,116
	Less: Cost of Trading Purchase	25,479,630	45,938,350
	Less: Closing Stock	37,961	225,671
	Pig Iron Consumed	62,560,912	102,378,095
	(iii) Ferro Silicon		
	Opening Stock	80,554	4,741
	Add: Purchase	2,497,323	1,828,800
	Add: Carriage Inward & Freight	99,234	89,725
		2,677,111	1,923,266
	Less: Closing Stock	417,262	80,554
	Ferro Silicon Consumed	2,259,849	1,842,712
	(iv) Sponge Iron		
	Opening Stock	461,709	5,147,908
	Add: Purchase	84,700,725	51,880,446
		85,162,434	57,028,354
	Less: Closing Stock	2,828,502	461,709
	Sponge Iron Consumed	82,333,932	56,566,645
	(v) Silico Manganese		
	Opening Stock	2,274,973	948,128
	Add: Purchase	50,444,670	43,692,076
	Add: Carriage Inward & Freight	793,872	717,797
		53,513,515	45,358,001
	Less: Cost of Trading Purchase	930,400	-
	Less: Closing Stock	1,528,024	2,274,973
	Silico Manganese Consumed	51,055,091	43,083,028
	(vi) Petro Coke (CPC)		
	Opening Stock	625,247	184,766

(c)	Add: Purchase	13,964,235	11,923,880
	Add: Carriage Inward & Freight	99,234	89,725
		14,688,716	12,198,371
	Less: Closing Stock	114,310	625,247
	Petro Coke Consumed	14,574,406	11,573,124
	(vii) Stores & Spares		
	Opening Stock	29,262,693	24,414,748
	Add: Purchase	37,944,106	38,706,661
		67,206,799	63,121,409
	Less: Closing Stock	28,468,102	29,262,693
	Stores & Spares Consumed	38,738,697	33,858,716
	Total (b): Material Consumed Steel Division	553,796,281	576,389,910
	<u>Power Division</u>		
	(i) Coal		
	Opening Stock	309,907	29,116,677
	Add: Purchase	-	-
	Add: Transfer from Sponge Division	71,960,213	59,444,940
		72,270,120	88,561,617
	Less: Transfer to Sponge Division	-	-
	Less: Closing Stock	50,717	309,907
	Coal Consumed	72,219,403	88,251,710
	(ii) Stores & Spares		
	Opening Stock	5,033,142	6,205,520
	Add: Purchase	16,524,575	10,994,935
		21,557,717	17,200,454
	Less: Closing Stock	5,233,927	5,033,142
	Stores & Spares Consumed	16,323,790	12,167,312
	Total (c): Material Consumed Power Division	88,543,192	100,419,022
	Total Material Consumed: (a)+(b)+(c)	1,528,551,174	1,609,076,298

Note 18 Change in Inventory of Finished Goods & Traded Goods

	Particulars	114,310	625,247
a)	<u>Opening Stock</u>		
	(i) Finished Goods		
	Sponge Iron	9,862,303	3,043,974
	Char & Dolochar	364,909	438,892
	Billets	28,142,347	13,936,902
	End Cutting	864,765	416,079
	Slag Scrap	1,660,819	1,253,857
	Ingot	4,804,030	3,315,244

b)	Runner Riser		428,518	286,656
	Fly Ash		32,681	65,068
	Total (i)		46,160,372	22,756,672
	(ii) Traded Goods			
	Land		42,613,000	93,396,990
	Total (ii)		42,613,000	93,396,990
	Total (a) = (i)+(ii)		88,773,372	116,153,662
	<u>Closing Stock</u>			
	(i) Finished Goods			
	Sponge Iron	10,375,354		9,862,303
	Char & Dolochar	131,144		364,909
	Billets	15,724,576		28,142,347
	End Cutting	982,626		864,765
	Slag Scrap	408,450		1,660,819
	Ingot	3,120,006		4,804,030
	Runner Riser	894,730		428,518
	Fly Ash	117,214		32,681
	Total (i)	31,754,100	46,160,372	
	(ii) Traded Goods			
	Land		42,613,000	42,613,000
	Total (ii)	42,613,000	42,613,000	
	Total (b) = (i)+(ii)	74,367,100	88,773,372	
	Total: (a)-(b)	14,406,272	27,380,290	

Note 19 Employee benefits expense

Particulars		For the year ended 31 March, 2018	For the year ended 31 March, 2017
a)	<u>Salaries & Allowances</u>		
	Salary		
	- Sponge Division	13,084,013	12,761,953
	- Steel Division	2,508,310	1,829,439
	- Power Division	7,976,362	7,523,890
	Bonus		
	- Sponge Division	665,602	723,215
	- Steel Division	184,350	24,471
	- Power Division	461,086	545,389
	House Rent Allowance		
	- Sponge Division	1,056,026	903,464
	- Steel Division	241,560	123,212
	- Power Division	1,046,103	1,075,382
	Convaynce Allowance		
	- Sponge Division	27,755	31,568
	- Steel Division	-	-

	- Power Division	-	-
	Education Allowance		
	- Sponge Division	23,500	49,000
	- Steel Division	11,500	12,000
	- Power Division	80,000	88,000
	Special Allowance		
	- Sponge Division	945,164	1,392,927
	- Steel Division	533,549	488,459
	- Power Division	1,378,936	2,080,058
	Director Remuneration	1,848,903	1,860,000
	Director Remuneration (Other Benefits)	335,964	495,948
	Total (a)	32,408,683	32,008,375
b)	<u>Contribution to PF, ESIC & Others</u>		
	Employers Contribution to ESI	647,882	449,216
	Employers Contribution to PF	962,001	941,297
	Gartuity	1,069,753	(560,470)
	Total (b)	2,679,636	830,043
(c)	<u>Staff Welfare Expenses & Others</u>		
	Medical Expenses		
	- Sponge Division	301,204	228,055
	- Steel Division	88,407	45,945
	- Power Division	400,119	434,175
	- Others	184,129	178,383
	Total (c)	973,859	886,558
	Total Employee Benefit Expenses: (a)+(b)+(c)	36,062,178	33,724,976

Note 20 Finance costs

Particulars		For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a)	<u>Interest expense on:</u>		
	CC Account (IDBI)	13,847,050	17,367,414
	CC Account (SBI)	17,328,023	21,683,450
	CC Account (BOB)	8,432,879	9,433,632
	Term Loan (SBI)	8,655	2,897,724
	LC	19,280,684	13,965,570
	Interest on Indusind Bank	-	93,889
	SLC a/c (SBI)	6,270,674	6,616,628
	Late Payment of Tax	296,680	1,463,880
	Late Payment of GST	834,270	-
	Car Loan (BMW)	168,437	-
	India Bulls	2,299,258	-
	Equipment Loan , Loader (HDFC)	400,538	72,205
	Income Tax	115,139	422,580

b)	Service Tax	67,459	259,244
	Others	1,530,242	425,547
	Total (a)	70,879,987	74,701,762
	<u>Bank Charges</u>		
	Bank Charges & Commission	16,375,538	17,712,192
	Total (b)	16,375,538	17,712,192
	Total : (a)+(b)	87,255,525	92,413,955

Note 21 Other expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
<u>(a) Manufacturing Expenses</u>		
Electricity, Fuel & Water		
- Electricity Charges	252,989,638	281,599,541
- Electricity From CSPDCL	44,193,435	-
- Gas Refilling Charges	3,697,706	749,319
- Water Charges	6,303,277	3,397,677
Freight		
- Carriage Inward & Freight	915,394	983,332
- Material Shifting Charges	300,962	557,358
Repair & Maintenance		
- Plant & Machinery (Sponge)	8,240,673	2,977,998
- Plant & Machinery (Steel)	805,650	624,443
- Plant & Machinery (Power)	4,614,503	3,553,010
- Vehicle	10,212,919	12,792,557
- Other	-	218,484
Labour Charges		
- Production Charges	24,836,046	26,061,195
- Wages	327,658	403,929
- Labour Welfare Charges	30,000	15,000
- Equipment Charges	6,640	-
Other Manufacturing Expenses		
- Lab & Chemical Expenses	1,770	500
- Pollution Control Expenses	204,600	240,650
- Slag Crushing Charges	842,637	1,634,081
Total Manufacturing Expenses (a)	358,523,509	335,809,074
<u>(b) Administrative & Other Expenses</u>		
Commission Expenses		
- Commission Sales	2,165,146	3,467,361
Travelling & Conveyance Expenses		

- Conveyance Expenses	851,443	888,932
- Travelling Expenses	1,750,992	634,113
Rent, Rates & Taxes		
- Excise Duty Paid (on Dolochar Sales)	18,674	71,218
- Entry Tax Paid	747,441	157,359
- Electricity Duty (Power)	13,319,385	11,312,052
- JCB Hire Charges	1,137,970	984,960
- Rent, Rates & Taxes	-	56,764
- Facility Fees	234,000	214,500
- Maintenance And Street Light	363,000	363,000
Charges(Siltara)		
- Toll Tax	-	20
- Import Charges (Steel)	44,319	-
Insurance Expenses		
- Insurance Charges	736,195	630,775
- SBI Life Insurance	-	500,000
- Transit Insurance	201,377	86,879
Legal & Professional Expenses		
- Legal & Professional Charges	2,628,404	2,188,916
- Consultance Charges	2,333,450	492,997
- Payment to Auditors	125,000	500,000
- Payment to Internal Auditors	250,000	265,000
Repair & Maintenance		
- Building	116,784	444,987
- Computer	100,672	74,735
Telephone, Printing, Stationary & Postage Expenses		
- Printing & Stationary	597,828	419,884
- Postage & Courier	55,129	75,996
- Telephone Expenses	238,530	383,561
Freight		
- Carriage inward	535,659	77,314
- Freight on Sale of Iron Ore	-	772,640
- Freight on Sale of Billet	5,356	51,260
- Unloading Charges (Store)	57,636	117,989
Other Misc. Expenses		
- Advertisement & Publicity	57,000	6,447
- CSR social development	104,425	65,312
- CSR a/c plantation & gardening exp.	54,245	75,000
- Electricity charges (indrawati)	110,430	501,658
- Electricity charges (geekay developers)	-	2,210
- Filing fees	50,265	449,591
- Initiation fee	560,000	-

- Inspection fees	10,000	11,581
- Service Tax Paid (Transportation)	-	26,153
- Licence & registration	610,498	664,897
- Licence & registration (power)	58,600	58,601
- Security Guard Expenses	461,085	99,084
- Membership fees	368,772	88,100
- Office expenses	354,307	290,574
- Office expenses (power)	97,497	83,071
- Office expenses (steel)	8,658	48,556
- Preliminary exp. Written off	3,514,240	3,514,240
- service tax paid (under rule 6(3))	20,975	303,556
- USD Conversion Charges Coal	3,659,275	-
- Non delivery settlement	313,543	-
- Income tax paid appeal filling	-	1,000
- Misc. Expenses	85,264	-
- Quality Difference Sale	31,049	-
- Sundry balances written off	(1,020,033)	(211,767)
- Nmet (io)	14,535	-
- Rate diffirance	(353,329)	(551,058)
- Analysis charges	106	27,401
- Swachh bharat cess (sbc)	184,447	789,036
- Lorry Freight	143,191	-
- Krishi kalyan cess (kkc)	149,155	693,224
- Handling & forwarding charges (steel)	120,942	-
- Freight charges (store)(sid)	3,250	-
Total Administratine & other Expenses (b)	38,386,784	32,269,677
Total Other Expenses (a)+(b)	396,910,292	368,078,751

Note 19 Other expenses (contd.)

Notes:

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	125,000	500,000
-internal audit	250,000	265,000
Total	375,000	765,000

NOTES FORMING PART OF FINANCIAL STATEMENT

NOTES ON ACCOUNTS: -

22. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
23. In the Opinion of the Board of directors, the loans, advances and other current & non-current assets have a value on realization in the ordinary course of business, at least equal to the amounts of which these are stated and that the provisions for the known liabilities are adequate and not in excess of the amount reasonably necessary.
24. The outstanding balance at the yearend in respect of Sundry Creditors, Loans and Advances, Deposits and certain Bank Accounts are subject to confirmation / reconciliation from the respective parties and the same have been reckoned in these accounts as per the balances appearing in the books. Any further adjustments arising out of reconciliation will be accounted for as and when such reconciliation is completed. The company however does not expect any material effect in a particular year or in future years.
25. In the opinion of the Management, Current Assets, Loans & Advances have the value at which they are stated in the balance sheet if realized in the ordinary course of the business except the balance of **"Suvikash Alloys And Steel Pvt Ltd, Bhadramaruti Concast Private Limited"**. No Provision has been made as matter is under court proceedings.
26. In the opinion of the management there is no such events occurred after the date of Balance sheet, which needs disclosure in these accounts.
27. Details as required by Ind AS 19 Employee Benefits are given below:

a) **Defined Contribution Plans:**

During the year the company has recognized the following amount in the statement of profit & loss:

Particulars	31-03-2018	31-03-2017
Contribution to Provident fund	962001	941297
Contribution to ESIC	647882	449216

b) **Defined Benefit Plans**

The Company has made provision with respect to terminal Benefits of Employees in accordance with AS -15, which is as follows:-

Description	2017-18	2016-17
1. Reconciliation of opening and closing balances of obligations		
a. Obligation at the beginning of the year	3377958	3938428
b. Current Service Cost	1417744	857232
c. Interest Cost	260103	277265
d. Actuarial (Gain) / Loss	(608094)	(1694967)
e. Benefits Paid	--	--
f. Obligation at the end of the year	4447711	3377958
2. Change in Fair Value of Plan Assets		
a. Fair Value of plan assets at the beginning of the year	--	--
b. Acquisition Adjustment	--	--
c. Expected return on plan assets	--	--
d. Actuarial Gain / (Loss)	--	--
e. Contribution made by the company	--	--

f. Benefits Paid	--	--
g. Fair Value of plan assets at the end of the year	--	--
3. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation at the end of the year	4447711	3377958
b. Fair value of plan assets at the end of the year	--	--
c. Amount recognised in the balance sheet (Assets) / Liability	4447711	3377958
4. Expenses recognised during the year		
a. Current Service Cost	1417744	857232
b. Interest Cost	260103	277265
c. Expected return on plan assets	--	--
d. Actuarial (gains) / loss	(608094)	(1694967)
e. Expenses recognised during the year	1069753	(560470)
5. Assumptions		
a. Discount Rate (per annum)	7.70%	7.04%
b. Estimated rate of return on plan assets (per annum)	--	8.00%
c. Rate of escalation in salary	7.00%	7.00%
6. Bifurcation of Present Value of Obligation at the end		
Current Liability (Amount due within One Year)	130075	62108
Non-Current Liability (Amount due over One Year)	4317636	3315850
Present Value of Obligation as at the end	4447711	3377958

28. There were no employees at any time during the year drawing Rs.500000/- per month or more.

29. Contingent liabilities & Commitments not provided for in respect of:

(a) Claims against the Company not acknowledged as debt: -

Particular	2017-18	2016-17
- Sales Tax & Entry Tax	20007933	15990000
- Excise Duty	15538385	13964000
- Customs Duty	8602704	8602704

(b) Guarantees:-

Particular	2017-18	2016-17
Letter of Credit	270475429	252332195

30. **Deferred Tax** : In accordance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, which has become mandatory from 1st April' 2002 for listed companies, the company has accounted for deferred tax during the year. Consequently, the cumulative net deferred tax liability of Rs. 8679711/- as on 31st March' 2018 has been recognized and adjusted from Statement of Profit & Loss.

The deferred tax liability/(asset) of the year amounting to Rs (19778146/-) has been charged in profit and loss a/c

PARTICULARS	31-03-2018	31-03-2017
-------------	------------	------------

Deferred Tax Liabilities:- Difference in WDV as per Books of Accounts & WDV under Income Tax Act	261130307	267061851
Deferred Tax Assets:- Unabsorbed Depreciation and Business Loss and Expenses allowed on payment basis	235594235	183337648
Net Timing Difference	25536072	83724203
Total deferred tax Assets to be recognized	8679711	28457857
Deferred Tax Assets previously recognized	28457857	29619819
Net deferred tax assets/Liability created during the year	(19778146)	(1161962)

31. Segment Wise Reporting Results:

Basis of Preparation

Business Segment:- Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly Steel, Power, Real Estate & Fabrics have been identified as the business segments.

PARTICULARS	Current year (2017-18)	Current year (2016-17)
1. Segment Revenue		
☐ Iron & Steel	2,171,207,009	2,109,145,920
☐ Power	206,700,544	224,000,900
☐ Real Estate	--	18,998,600
☐ Fabrics	--	206,928,790
Sub – total	2,377,907,553	2,559,074,209
Less: Inter- Segment Revenue	205,526,152	222,822,488
Net Segment Revenue	2,172,381,401	2,336,251,721
2. Segment Result (Profit /Loss before Tax and interest from each segment)		
☐ Iron & Steel	107,250,776	47,390,226
☐ Power	5,304,187	2,877,618
☐ Real Estate	--	-31,785,390
☐ Fabrics	--	90,467,860
Sub – total	112,554,963	108,950,313
Less: Financial Costs	87,255,525	92,413,955
Profit before Tax	25,299,438	16,536,359
Provision For Tax	(19,778,146)	(1,161,962)
Profit After Tax	45,077,584	17,698,321
3. Other Information		
I Segment Assets		
☐ Iron & Steel	1,284,184,184	988,880,589

☐ Power	302,750,665	329,257,959
☐ Real Estate Division	42,613,000	59,573,480
☐ Fabrics Division	34,994,343	125,062,203
☐ Un- allocated Assets	41068187	102,490,043
Total Assets	1,705,610,379	1,605,264,274
II Segment Liabilities		
☐ Iron & Steel	727,415,095	657,282,426
☐ Power	8116125	4,767,384
☐ Real Estate Division	--	--
☐ Fabrics Division	--	--
☐ Un- allocated Liabilities	96,260,119	44,584,889
Total Liabilities	831,791,339	706,634,699

Geographical Segment: - The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

32. Earning per share

Particulars	31-03-2018	31-03-2017
Net Profit/(Loss) for the year	45077584	17698321
Weighted Average No. of Equity Shares	30000000	30000000
Earnings per share	1.50	0.59

33. Foreign Exchange Earning and Outgo :

S.No.	Particulars	2017-18	2016-17
1	CIF Value of Import	13,46,26,538	11,10,05,350
2	Expenditure in foreign exchange (No direct payment by company in foreign currency)	Nil	Nil
3	Earning in foreign exchange	Nil	Nil
4	Remittance in foreign currency for dividend	Nil	Nil

34. Directors Disqualification

- a. Shri Ravi Kumar Vaswani Managing Director of the company is disqualified under Section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to non filing of annual accounts and annual return of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited for a period of three years and Strike off of Elite Buildhome Limited by ROC, Chhattisgarh. However, director has duly filed the annual accounts and annual returns of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited under CoDS scheme, 2018 and paid the penalty and have initiated process for revival of Elite Buildhome Limited.
- b. Shri Pawan Kumar Jha, Director of the Company is disqualified under section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to Strike off of Elite Buildhome Limited by ROC, Chhattisgarh. Director has initiated process for revival of Elite Buildhome Limited.
- c. Shri Yashwant Vaswani, Whole-time Director of the Company was disqualified under Section 164 of the Companies Act, 2013 with effect from 01/11/2016 to 31/10/2021 due to non filing of annual accounts and annual return of Vaswani Ispat Limited, Vaswani Energy Limited and

Vaswani Cement Limited for a period of three years. However, director has duly filed the annual accounts and annual returns of Vaswani Ispat Limited, Vaswani Energy Limited and Vaswani Cement Limited under CoDS Scheme, 2018 and paid the penalty and ROC has removed his disqualification with effect from 16th March, 2018. MCA DIN enquiry status is attached.

35. Related Party Disclosures :

In accordance with the requirements of Ind AS 24 on related party disclosures name of the related party, related party relationship, transaction and outstanding balances are, as detail below:

a. Name of the related parties-

Group Companies/ Associates	Key Management Personnel & Directors	Relatives of Key management Personnel
1. M/S Kwaliti Foundry Industries 2. C.G.Ispat Pvt. Ltd. 3. Cosmos Castings (India) Limited 4. Vaswani Ispat Ltd. 5. Vaswani Cement Ltd. 6. Vaswani Energy Ltd. 7. Shubh Infrastructure Ltd.	1. Shri Ravi Vaswani 2. Smt. Sudha Vaswani 3. Shri Yashwant Vaswani 4. Shri Pramod Vaswani 5. Ragini Shukla 6. Pawan Kumar Jha	1.Smt. Manisha Vaswani 2. Shri Kushal Vaswani

b. Following are the transaction with related parties as defined under Accounting Standard-18 on "Related Party Disclosures " as notified under the Companies (accounting Standard) Rules , 2006.

Name	Relationship	Nature of Transaction	Amount of transaction in 2017-18 (2016-17)	Amount Outstanding as at 31/03/2018 (31/03/2017)
Ravi Vaswani	Chairman & M.D.	Remuneration	1139976 (1140000)	484398 (243794)
		Unsecured loan received	Nil (Nil)	0.00 (15465000)
		Unsecured loan Repayment	15465000 (Nil)	
		Amount for Preferential allotment	-- (--)	-- (--)
Pramod Vaswani	Whole Time Director	Remuneration	0.00 (760000)	0.00 (829148)
		Unsecured loan received	Nil (Nil)	0.00 (1148000)
		Unsecured loan Repayment	1148000 (Nil)	
Yashwant Vaswani	Whole Time Director	Remuneration	490988 (455948)	173166 (0.00)
		Amount for Preferential allotment	0.00 (0.00)	0.00 (0.00)
		Unsecured loan received	Nil (Nil)	0.00 (11888000)
		Unsecured loan Repayment	11888000 (Nil)	
Kushal Vaswani	Relative of KMP	Salary	900000 (900000)	228142 (1049340)

Sudha Vaswani	Director	Remuneration	90000 (0.00)	29402 (0.00)
	Relative of KMP	Salary	90000 (0.00)	0.00 (0.00)
Pawan Kumar Jha	Director	Remuneration	463903.00 (0.00)	0.00 (0.00)
Ragini Shukla	Company Secretary	Salary	54000.00 (0.00)	0.00 (0.00)
M/s Kwalty Foundry Industries	Proprietorship Firm in which Director has Significant influence	Sale of Goods	106697505 (93096639)	14241553 (NIL)
		Purchase of Goods	44890019 (34218505)	
		Rent Received	0.00 (60000)	
		Advance for Raw Material	14,241,553 (Nil)	
Cosmos Castings (India) Limited	Group Companies	Sale of Goods	Nil (Nil)	205983 (Nil)
		Purchase of Goods	Nil (Nil)	
		Advances	205983 Nil	
C.G. Ispat Private Limited	Group Companies	Sale of Goods	915115690 (843774824)	227124252 (104852105)
		Purchase /Services	169331060 (168658845)	
		Rent Received	0.00 (120000)	
		Investment made	Nil (Nil)	
Shubh Infrastructure Ltd.	Related Concern	Deposits (for railway siding)	Nil (Nil)	0.00 (475000)

Notes: Related party relationship in terms of Accounting Standard 18 as given above is pointed out by the management and relied upon by the Auditors.

**AS PER OUR REPORT OF EVEN DATE
FOR, AMITABH AGRAWAL & COMPANY
CHARTERED ACCOUNTANTS
FRN 006620**

**FOR AND ON BEHALF OF THE BOARD
VASWANI INDUSTRIES LIMITED
CIN : L28939CT2003PLC015964**

**MANISH KUMAR SAHU
PARTNER
M.NO.423562
RAIPUR, 30th May, 2018**

**YASHWANT VASWANI
DIRECTOR
DIN : 01647208**

**SUDHA VASWANI
DIRECTOR
DIN: 02909309
RAIPUR, 30th May, 2018**

SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st april 2017.

b. Basis of Accounting

The financial statement has been prepared under the historical cost conventional accrual basis of accounting. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("The Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under section 133 of the Act read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. As these are the Company's first financial statements prepared in accordance with Ind AS, Ind AS 101, First time Adoption of Indian Accounting Standards has been applied.

Up to the year ended March, 31 2017, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 2016.

c. Use of Estimates

The presentation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumption to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

d. Property, Plant & Equipment (PPE)

Tangible assets are stated at cost of acquisition (inclusive of freight) or construction net of CENVAT /Tax credit, less accumulated depreciation and impairment loss, if any. All costs, including financial costs till commencement of commercial production and adjustment arising from exchange rate variations attributable to the fixed assets are capitalized.

e. Capital Work- in- progress

Project under commissioning and other capital work-in- progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest

f. Depreciation

a) Depreciation on fixed assets has been provided on Straight Line Method Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

b) Depreciation on addition to / deduction from fixed assets is being provided on pro-rata basis from/ to the date of acquisition/ disposal.

g. Inventories

Inventories i.e. stores consumables are valued at cost (exclusive of duties & taxes). By Products are valued at estimated realizable value. Raw Materials are valued at cost plus freight using Weighted Average Cost (WAC) method. Finished Goods are valued at cost or net realizable value (NRV) whichever is lower. Finished goods include cost of conversion and other cost for bringing it in the present location and condition including depreciation.

h. Impairment of Assets

(i) Financial assets (other than a fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-Financial asset:

Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

i. Financial Instrument

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

j. Revenue Recognition

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

However, where the amount is immaterial / negligible and/or establishment of accruals / determination of amount are not possible no entries are made for the accrual.

k. Other income

Interest income is accounted on an accrual basis. Dividend income is accounted for when the right to receive income is established.

l. Borrowing Cost

The Borrowing costs that are attributable to the acquisition or construction or production of the qualifying assets are capitalized as per the cost of such assets up to the date when such assets are ready for its intended use. All other borrowing costs are charged to the Profit & Loss A/c.

m. Accounting for Taxes on Income

(a) Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

(b) Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statement. Deferred tax assets & liabilities are measured using the tax rates and the tax laws enacted or substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty for its realization.

(c) The taxable income of the company being lower than the book profits under the provision of the income tax act 1961. The company is liable to pay Minimum Alternate tax (MAT) on its income.

(d) Considering the future profitability & taxable position in the subsequent years the company has recognized MAT Credit as an assets by crediting the provision for income tax & including the same under Loans & advances in accordance with the Guidance note on "Accounting for Credit available in respect of MAT under Income Tax Act 1961" issued by the Institute of Chartered Accountant of India.

n. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Foreign Currency Transaction

Transactions in foreign currency are recorded in Rupees by applying the exchange rate prevailing on the date of transaction. Transactions remaining unsettled are translated at the rate of exchange ruling at the end of the year. Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

p. Provision and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statement.

q. Employee Benefits:-

a. Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss A/c of the year when the contributions to the Government Funds is due.

b. Gratuity Liability is defined benefit obligations and is provided for on the basis of Actuary Valuation obtained from Registered Actuary.

- c. Short Term Compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation.
 - d. Actuarial gains / losses are immediate taken to the profit & loss account and are not deferred.
 - e. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.
- r. Segment Reporting:-**
- a) **Business Segment:** - The accounting policies adopted for segment reporting are in the line with the accounting policies of the company. Segment Revenue, Segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, Expenses, Assets, Liabilities which relates to the company as whole and not allocable to segment on reasonable basis have been included under "Unallocated revenue/ expenses/ assets/ liabilities".
 - b) **Geographical Segment:** - The Company sells its products within India. The condition prevailing in India being uniform. So no separate geographical segment disclosure is considered necessary.
- s. Research & Development Expenditure:-**
- Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalized.
- t. Intangible assets:-**
- Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on equated basis over the estimated useful life of such assets.
- u. Events Occurring After the Balance Sheet Date:**
- Events occurring after the balance sheet date and related to circumstances existing on the Balance Sheet are accounted for. Events not related to circumstances existing on the Balance Sheet date are disclosed by way note to accounts.
- v. Recently notified Indian Accounting Standards (Ind AS), effective on or after April 1, 2018**
- Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS which the company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard with all related amendments to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

Vaswani Industries Limited
Regd. Office: Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur (C.G.) 493221

ATTENDANCE SLIP

Annual General Meeting – 30th October, 2018 (To be handed over at the entrance of the meeting hall)

I hereby record my presence at the Annual General Meeting of the Vaswani Industries Limited held at 3.00 p.m on Tuesday, the 30th October, 2018 at Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur (C.G.) – 493221.

Full Name of Member / Proxy (In Block Letters)

DP ID/Client ID/Folio

No.: _____

No. of Shares held:

Voted for Resolution:

Resolutions (as above mentioned)	For	Against	Abstain
Resolutions (as above mentioned)			
Resolution – 1 - To receive, consider and adopt audited Statement of Profit and Loss & Balance Sheet for the year 2017-18			
Resolution – 2 - To appoint M/s. Amitabh Agrawal & Co, Chartered Accountants, Raipur as statutory auditors for a period of consecutive 5 years.			
Resolution – 3 - To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2019.			
Resolution – 4 – To re-appoint Mr. Yashwant Vaswani (DIN No. 01627408) as Whole-time Director who retires by rotation.			
Resolution – 5- To appoint Smt. Sudha Vaswani (DIN No: 02909309) as a Director.			
Resolution – 6- To consider re-appointment of Mr Lekhu Thadaram Mulchandani (DIN No. 02801146) as Non-executive Independent Director.			
Resolution – 7 – To consider re-appointment of Mr Ashok Kumar Suri (DIN No. 00291897) as Non-executive Independent Director			

I hereby certify that I am a member / proxy of the company.

Member's/Proxy's Signature

NOTE:

1. Member/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting.
2. Member/ Proxy holder wishing to attend the meeting should bring his copy of the notice for reference at the meeting.
3. This form in order to be effective should be duly stamped, completed, signed and deposited at the registered office of the company, not less than 48 hours before the meeting.
4. It is optional to indicate your preference, if you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Vaswani Industries Limited
Regd. Office: Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara
Raipur (C.G.) 493221

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): Registered address: E-mail Id: Folio No/ Clint Id: DP ID:
--

I/ We, being the member(s) of, holding.....shares, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her;

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Fourteen Annual General Meeting of members of the Company, to be held on Tuesday, October 30, 2018 at 3.00 p.m. at the registered office of the Company at Bahesar Road, Near Cycle Park, Vill - Sondra Phase-II, Industrial Area, Siltara Raipur (C.G.) – 493221 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above proxy to vote in the manner as indicated below:

Resolutions (as above mentioned)	For	Against	Abstain
Resolution – 1 - To receive, consider and adopt audited Statement of Profit and Loss & Balance Sheet for the year 2017-18			
Resolution – 2 - To appoint M/s. Amitabh Agrawal & Co, Chartered Accountants, Raipur as statutory auditors for a period of consecutive 5 years.			
Resolution – 3 - To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2019.			
Resolution – 4 - To re-appoint Mr. Yashwant Vaswani (DIN No. 01627408) as Whole-time Director who retires by rotation.			
Resolution – 5- To appoint Smt. Sudha Vaswani (DIN No: 02909309) as a Director.			
Resolution – 6- To consider re-appointment of Mr Lekhu Thadaram Mulchandani (DIN No. 02801146) as Non-executive Independent Director.			
Resolution – 7 - To consider re-appointment of Mr Ashok Kumar Suri (DIN No. 00291897) as Non-executive Independent Director			

Signed this day of October, 2018

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Affix Rs.1/-

Revenue
Stamp

NOTE:

1. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
2. Those members who have multiple folios with different proxy holders may use Xerox copies of this Attendance Slip/ Proxy.
3. No instrument of Proxy shall be valid unless it is in Proxy Form (above) and duly stamped.

Route Map for the venue of the Annual General Meeting

