

## **VIKAS PROPPANT & GRANITE LIMITED**

**Corporate Office:** F-88/89, Udhog Vihar, RIICO

Industrial Area, Sriganganagar-335002 (Rajasthan)

**CIN:** L14100HR1994PLC036433

**Registered Office:** Hisar Road, Siwani - 127046 (Haryana)



**September 03<sup>rd</sup>, 2019**

**To,**

**The General Manager,  
Corporate Relation Department,  
The Stock Exchange, Mumbai,  
P.J.Towers, Dalal Street,  
Mumbai - 400001**

**Sub:** - Submission of annual report for F.Y. 2018-2019

**Dear Sir/ Madam,**

This is to inform you that the 25<sup>th</sup> annual general meeting of the Company is scheduled to be held on Saturday, 28<sup>th</sup> September, 2019 at the Railway Road, Siwani, Haryana-127046 at 11.00 A.M.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find attached herewith the annual report of the Company for the financial year 2018-2019 along with the Notice of 25<sup>th</sup> annual general meeting. The same being dispatched to the shareholders through permitted mode(s).

The annual report and notice of 25<sup>th</sup> annual general meeting are also available on the Company's website i.e. <http://www.vpgl.in>.

We request you to take the same on record.

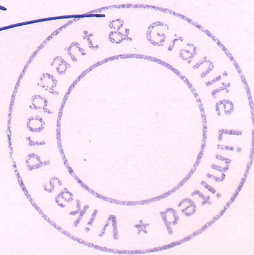
**Thanking You,**

**Yours Faithfully,**

**For Vikas Proppant & Granite Limited**

  
**Praveen Bishnoi  
Company Secretary**

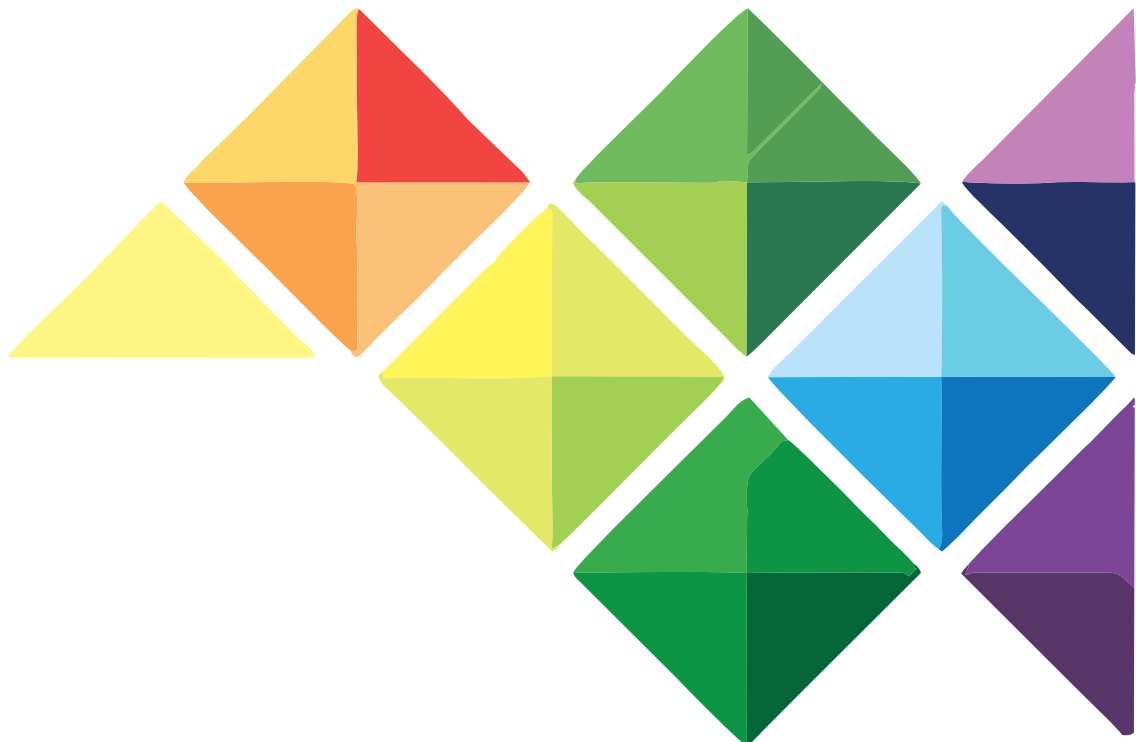
**Encl. A/a**



**25th ANNUAL REPORT  
2018-19**



**VIKAS PROPPANT & GRANITE LIMITED**



### **Board of Director**

<b>Mrs. Bimla Devi Jindal</b> Chairman & Managing Director	<b>Mr. Bajrang Dass Aggarwal</b> Director	<b>Mrs. Kamini Jindal</b> Director
<b>Mr. Ravi Sharma</b> Independent Director	<b>Mr. Neeraj Chhabra</b> Independent Director	<b>Mrs. Aashu Garg</b> Independent Director

### **Officials**

<b>Mr. Praveen Bishnoi</b>	Company Secretary & Compliance Officer
<b>Mr. Lokesh Garg</b>	Chief Financial Officer

### **Audit Committee**

<b>Mr. Ravi sharma</b> Chairman	<b>Mr. Neeraj Chhabra</b> Member	<b>Mr. Bimla devi Jindal</b> Member
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### **Corporate Social Responsibility Committee**

<b>Mrs. Bimla Devi Jindal</b> Chairman	<b>Mr. Bajrang Dass Aggarwal</b> Member	<b>Mr. Ravi sharma</b> Member
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### **Stakeholder Relationship Committee**

<b>Mr. Neeraj Chhabra</b> Chairman	<b>Mr. Ravi sharma</b> Member	<b>Mrs. Kamini jindal</b> Member	<b>Mrs. Aashu Grg</b> Member
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### **Risk Management Committee**

<b>Mrs. Bimla devi Jindal</b> Chairman	<b>Mr. Bajrang Dass Aggarwal</b> Member	<b>Mrs. Kamini jindal</b> Member
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### **Nomination and Remuneration Committee**

<b>Mr. Neeraj chhabra</b> Chairman	<b>Mr. Ravi sharma</b> Member	<b>Mrs. Aashu Garg</b> Member
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### **Statutory Auditor**

**Yogesh mahipal & Associates.**  
**Chartered Accountants**

### **Secretarial Auditor**

**S Vivek & Associates**  
**Company Secretaries**

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of Vikas Proppant & Granite Limited will be held on the Saturday, 28<sup>th</sup> day of September 2019 at 11:00 A.M. at Railway Road, Siwani, Haryana-127046 to transact the following business:

### ORDINARY BUSINESS

**To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolutions:**

- 1. To consider and adopt the standalone financial statements of the company for the financial year ended March 31, 2019 and the report of the board of directors and of the auditors thereon:**

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company including Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of changes in equity and the Cash Flow Statement of the Company for the financial year ended March 31, 2019 annexed with notes to the financial statements with reports of the Board of Directors (“the Board”) and Auditors thereon be and are hereby considered and adopted.”

- 2. To appoint a director in place of Mr. Bajrang Dass Aggarwal (DIN: 00036553), who retires by rotation and being eligible, offers herself for re-appointment:**

**“RESOLVED THAT** Mr. Bajrang Dass Aggarwal (DIN: 00036553), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.”

### SPECIAL BUSINESS

- 3. Approval For Related Party Transaction**

**To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution: -**

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the proposed transaction between Company and

1. M/s Vikas WSP Limited (a related party)
2. M/s Vegan Colloids Limited (a related party)
3. M/s Vikas Chemi Gums (India) Limited(a related party)

for Sale and Purchase of goods in its absolute discretion on the terms as agreed / may be agreed between Board of Directors and above-mentioned related parties and as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** Smt. Bimla Devi (Managing Director)and Sh. Bajrang Dass Aggarwal (Director) of the Company be and are hereby individually authorised to sign any document or agreement for above proposed transaction on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution.”

- 4. Appointment of Mrs. Aashu Garg as a Non-Executive Independent Director**

**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 Sections 149, 152 and other applicable provisions

of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Aashu Garg, who was appointed as an Independent Director for a term of five (5) consecutive years on December 28, 2018 by board of directors subject to approval of shareholders, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to appoint as an Independent Director of the Company to hold office for five year and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.

**5. Re-appointment of Mr. Ravi Sharma as a Non-Executive Independent Director**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ravi Sharma, a non-executive director of the Company, who was appointed as an Independent Director for a term of five (5) consecutive years from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019, being eligible for reappointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re- appointed as an Independent Director of the Company to hold office for five consecutive years i.e. from 1<sup>st</sup> April 2019 up to 31<sup>st</sup> March 2024”.

**6. Re-appointment of Mr. Neeraj Chhabra as a Non-Executive Independent Director**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Neeraj Chhabra, a non-executive director of the Company, who was appointed as an Independent Director for a term of five (5) consecutive years from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019, being eligible for reappointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re- appointed as an Independent Director of the Company to hold office for five consecutive years i.e. from 1<sup>st</sup> April 2019 up to 31<sup>st</sup> March 2024”.

**Registered Office:**

Siwani

**Corporate Office**

Sri Ganganagar

**Place:** Sri Ganganagar

**Date:** 02/09/2019

**By the order of Board**

**Sd/-**

**Bimla Devi Jindal**

**Managing Director**

**DIN:** 00034997

**Address:** 123, Vinoba Basti,  
Sri Ganganagar - 335001

## NOTES:

1. The relevant explanatory statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty-eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. Information regarding particulars of the Director to be appointed and the Director seeking appointment/re-appointment as required under Regulation 36 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standards-2 on General Meetings are also annexed as Annexure-A and the explanatory statement pursuant to Section 102 of the Companies Act, 2013, are annexed hereto. The directorships held by the Directors considered for the purpose of disclosure does not include the directorships held in foreign companies. The Committee chairmanships/memberships considered for the purposes of disclosure are those prescribed under Regulation 18 & 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit and Risk Management Committee and Stakeholders’ Relationship Committee respectively of Indian public limited companies.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company’s Registered Office on all working days of the Company, during business hours up to the date of the meeting.
8. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
9. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.  
The members are requested to get their shares dematerialized. The company’s ISIN Code INE767B01022.
10. The 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 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 send their e-mail address to the following: office@vikasgranaries.in or cspraveenbishnoi@vpgl.in  
The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail

addresses, physical copies are being sent by the permitted mode.

11. The Members are requested to notify immediately change of address and e-mail address, if any, to :-
  - i) The Company's Registrar & Transfer Agent, M/s LINK INTIME INDIA PRIVATE LIMITED, Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 in case the shares are held in physical form and
  - ii) To the respective Depository Participant (DP) with whom the members are having their Demat Accounts, in case the shares are held in electronic form.
12. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.
13. Non-resident Indian shareholders are requested to inform about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:
  - (α) The change in the residential status on return to India for permanent settlement; and
  - (β) The particulars of the NRE Account with a Bank in India, if not furnished earlier.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's RTA. In view of SEBI's circular dated April 20, 2018, the Company will send the letters to the shareholders holding equity shares in physical form for updating of PAN and bank account details with the Company / RTA.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's RTA. In view of SEBI's circular dated April 20, 2018, the Company will send the letters to the shareholders holding equity shares in physical form for updating of PAN and bank account details with the Company / RTA.
16. The Scrutinizer, after scrutinizing the votes cast at the meeting (physical voting) and through remote e-voting, will make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and will submit the same to the Chairman of the meeting. The Chairman or the authorized person shall announce the results within Forty Eight (48) hours after the conclusion of the meeting. The results declared shall be available on the website of the Company (<http://www.vpgl.in>) and on the website of the Link Intime India Private Limited (LIPL) (<https://instavote.linkintime.co.in>). The results shall simultaneously be communicated to the Stock Exchanges where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.
17. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and documents referred to in the notice and explanatory statement, including certificate from the Auditors of the Company under Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.



18. Members who are holding shares in physical form in identical names in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
19. Members / proxies / authorized representatives are requested to bring duly filled admission / attendance slips sent herewith along with the notice of the AGM at the meeting.
20. (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the Company is providing the facility for voting by electronic means (e-voting) to all its members. The Company has engaged the services of Link Intime India Private Limited (LI IPL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link <https://instavote.linkintime.co.in> during the following voting period:

<b>Commencement of e-voting</b>	:	From 10:00 A.M. on 25 <sup>th</sup> September 2019
<b>End of e-voting</b>	:	Up to 05:00 P.M. on 27 <sup>th</sup> September 2019

e-voting shall not be allowed beyond 05:00P.M., 27<sup>th</sup> September 2019. During the e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 21<sup>st</sup> September 2019.

- (b) The company has engaged the services of Link Intime India Private Limited (LI IPL) as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed S Vivek & Associates, Practicing Company Secretary, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting system" means a secured system-based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate cyber security.

It also helps the shareholders to cast their vote from anywhere and at any time during e-voting period.

**The instructions for shareholders voting electronically are as under:**

The voting period begins on 25<sup>th</sup> September 2019 at 10.00 A.M. and ends on 27<sup>th</sup> September 2019 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21<sup>st</sup> September 2019, may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited (LI IPL) for voting thereafter.

**Instructions for shareholders to vote electronically:**

- ❖ Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)
  - 1 Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
  2. \
  3. Click on "Login" tab, available under 'Shareholders' section.

4. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
5. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
6. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>• Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

7. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
8. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/ Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.

9. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
10. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
11. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
12. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’.
- They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian/Mutual Fund/ Corporate Body**’ login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000

21. The route map for the AGM Venue is provided at the end of this notice.

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

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 4 of the accompanying Notice

**ITEM NO. 4:**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party,

1. M/s Vikas WSP Limited (a related party)
2. M/s Vegan Colloids Limited (a related party)

### 3. M/s VikasChemi Gums (India) Limited(a related party)

the Company must obtain prior approval of the Board of Directors and in case of the transaction value exceeds the limit specifies in the act, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company: and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

#### **ITEM 5:**

Mrs. Aashu Garg Independent Director of the Company has been appointed by the Board on 28<sup>th</sup> December 2018 subject to approval of shareholders in general meeting and she will not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. Mrs. Aashu Garg is a person with excellent academic background and possesses good educational qualifications.

The Company has received a declaration from her confirming that she meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of both the directors to be reappointed as an Independent Director as per the provisions of the Companies Act, 2013.

Except the director and her relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution as set out in Item no. 4 of the Notice.

Your Directors recommend the passing of the resolution(s) mentioned as Special Resolution(s).

#### **ITEM 6 & 7:**

Mr. Ravi Sharma & Mr. Neeraj Chhabra, are Independent Directors of the Company. Their previous term of appointment has been expired on 31<sup>st</sup> March 2019. The board of Directors of the Company has reappointed both the directors w.e.f. 01<sup>st</sup> April 2019 for further five years i.e. up to 31<sup>st</sup> March 2024 subject to approval of shareholders in general meeting.

Based on the outcome of performance evaluation of the Independent Directors, , the Board of Directors of the Company, has approved the re-appointment of Mr. Ravi Sharma & Mr. Neeraj Chhabra for the term as provided in the resolution, and they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from both the directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of both the directors to be reappointed as an Independent Director as per



the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of both directors setting out the terms and conditions is available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

Except both the directors and their relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution as set out in Item no. 4 of the Notice.

Your Directors recommend the passing of the resolution(s) mentioned as Special Resolution(s).

**Registered Office:**

Siwani

**Corporate Office**

Sri Ganganagar

**Place:** Sri Ganganagar

**Date:** 02/09/2019

**By the order of Board**

**Sd/-**

**Bimla Devi Jindal**

**Managing Director**

**DIN:** 00034997

**Address:** 123, Vinoba Basti,  
Sri Ganganagar - 335001

**Annexure-A**

Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company (Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

<b>Name of the Director</b>	Bजारंग दास अगारवाल
<b>Date of birth</b>	15/05/1954
<b>Date of Appointment</b>	31/01/2006
<b>Experience in Specific functional areas</b>	He has long experience in Guar Gum Industry.
<b>No. of Equity Shares held in the Company as on March 31, 2019</b>	10300
<b>Terms &amp; Conditions of reappointment</b>	As per Company's Appointment and Remuneration Policy
<b>*Remuneration last drawn during the year FY 2018-19 (Rs. in lakhs)</b>	NIL
<b>No. of meetings of Board attended during the year</b>	11
<b>Directorship held in other Companies as on March 31, 2019</b>	3 (Vikas WSP Limited, Vegan Colloids Limited and Vikas Chemi Gums (India) Limited)
<b>Relationship with any other director inter-se and KMPs of the Company</b>	Husband of Mrs. Bimla Devi Jindal (Managing Director) & Father of Mrs. Kamini Jindal (Director)
<b>Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	Director of Vikas WSP Limited  Member of Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee in Vikas WSP Limited

<b>Name of the Director</b>	Aashu Garg
<b>Date of birth</b>	24/06/1984
<b>Date of Appointment</b>	28/12/2018
<b>Qualification</b>	Post Graduate/Master/Equivalent
<b>Experience in Specific functional areas</b>	Mrs. Aashu Garg is a person with excellent academic background and possesses good educational qualifications.
<b>No. of Equity Shares held in the Company as on March 31, 2019</b>	NIL
<b>Terms &amp; Conditions of reappointment</b>	As per Company's Appointment and Remuneration Policy
<b>*Remuneration last drawn during the year FY 2018-19 (Rs. in lakhs)</b>	NIL
<b>No. of meetings of Board attended during the year</b>	3
<b>Directorship held in other Companies as on March 31, 2019</b>	NIL
<b>Relationship with any other director inter-se and KMPs of the Company</b>	N.A.
<b>Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	N.A.

<b>Name of the Director</b>	Ravi Sharma
<b>Date of birth</b>	21/07/1969
<b>Date of Appointment</b>	31/01/2006
<b>Qualification</b>	Master's in commerce and Master's in business administration
<b>Experience in Specific functional areas</b>	Mr. Sharma is a person with excellent academic background and possesses good educational qualifications. He is master's in commerce and master's in business administration. He is having vast knowledge of accountancy and taxation. His expertise is leading company to gain new heights.
<b>No. of Equity Shares held in the Company as on March 31, 2019</b>	NIL
<b>Terms &amp; Conditions of reappointment</b>	As per Company's Appointment and Remuneration Policy
<b>*Remuneration last drawn during the year FY 2018-19 (Rs. in lakhs)</b>	NIL
<b>No. of meetings of Board attended during the year</b>	11

<b>Directorship held in other Companies as on March 31, 2019</b>	N.A.
<b>Relationship with any other director inter-se and KMPs of the Company</b>	N.A.
<b>Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	N.A.

<b>Name of the Director</b>	Neeraj Chhabra
<b>Date of birth</b>	23/07/1979
<b>Date of Appointment</b>	04/01/2013
<b>Qualification</b>	Post graduate in Pharmacy
<b>Experience in Specific functional areas</b>	Mr. Neeraj Chhabra is a person with excellent academic background and possesses good educational qualifications. He is post graduate in Pharmacy. Having vast knowledge about chemical aspects, his expertise is leading company on high quality manufacturing guar gum powder.
<b>No. of Equity Shares held in the Company as on March 31, 2019</b>	NIL
<b>Terms &amp; Conditions of reappointment</b>	As per Company's Appointment and Remuneration Policy
<b>*Remuneration last drawn during the year FY 2018-19 (Rs. in lakhs)</b>	NIL
<b>No. of meetings of Board attended during the year</b>	11
<b>Directorship held in other Companies as on March 31, 2019</b>	1 (Vikas WSP Limited)
<b>Relationship with any other director inter-se and KMPs of the Company</b>	N.A.
<b>Names of other listed entities in which the person also holds the directorship and the membership of Committees of the board</b>	Director in Vikas WSP Limited  Member of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, and Corporate Social Responsibility Committee in Vikas WSP Limited



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

**Vikas Proppant & Granite Limited**

CIN: L14100HR1994PLC036433

Registered office: Hisar Road, Siwani, Haryana-127046.

Tel: 91(154) 2494512/2494552; Fax: 91(154) 2494361/2475376

Website: www.vpgl.in E-mail ID: office@vikasgranaries.in, cspraveenbishnoi@vpgl.in

**ECS MANDATE FORM**

**[APPLICABLE FOR SHARES HELD IN PHYSICAL FORM ONLY]**

To,  
Link Intime India Private Limited  
Unit: Vikas Proppant & Granite Limited  
Noble Heights, 1<sup>st</sup> Floor, Plot Nh 2  
C-1 Block Lsc, Near Savitri Market,  
Janakpuri, New Delhi – 110058

Name of the First / Sole Member	
Folio No.	

**PAN / E-mail information**

Income Tax Permanent Account Number (PAN) (Please attach a photocopy of PAN Card)	
Email ID	

**Particulars of Bank Account**

Bank Name								
Branch Name & Address								
Bank Account Type (tick)	SB		Current		Others			
Bank Account Number								
9 Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank (Please attach a photocopy of the Cheque)								
IFSC Code								

I hereby declare that the particulars given above are correct and complete and also express my concurrence to receive information through email towards dividend paid by the Company under the ECS mode.

\_\_\_\_\_  
Signature of the 1st Registered Holder / Sole Holder

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

**Vikas Proppant & Granite Limited**

CIN: L14100HR1994PLC036433

Registered office: Hisar Road, Siwani, Haryana-127046.

Tel: 91(154) 2494512/2494552; Fax: 91(154) 2494361/2475376

Website: [www.vpgl.in](http://www.vpgl.in) E-mail ID: [office@vikasgranaries.in](mailto:office@vikasgranaries.in), [cspraveenbishnoi@vpgl.in](mailto:cspraveenbishnoi@vpgl.in)

**E-MAIL REGISTRATION FORM**

[APPLICABLE FOR SHARES HELD IN PHYSICAL FORM ONLY]

To,  
Link Intime India Private Limited  
Unit: Vikas Proppant & Granite Limited  
Noble Heights, 1<sup>st</sup> Floor, Plot Nh 2  
C-1 Block Lsc, Near Savitri Market  
Janakpuri, New Delhi – 110058

Name of the First / Sole Member	
Folio No.	
Email ID	
Mobile no.	
Address	

\_\_\_\_\_  
Signature of the 1st Registered Holder/Sole Holder

## **Board Report**

### **To the Members,**

Your Directors are pleased to submit their 25<sup>th</sup> annual report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### **FINANCIAL RESULTS**

The Company's financial performance for the year under review along with previous year figures are given hereunder:

<b>Particulars</b>	<b>For the Year ended 2019 (Amount in Lac)</b>	<b>For the Year ended 2018 (Amount in Lac)</b>
Net Sales/ Revenue from Operation	5277.21/-	-
Other Income	-	4.15/-
<b>Total Revenue</b>	<b>5277.21/-</b>	<b>4.15/-</b>
<b>Profit/Loss Before Tax</b>	<b>5157.96/-</b>	<b>(552.19)</b>
<b>Less:</b>		
(a) Current Income Tax	1111.54	-
(b) Deferred Tax	(378.61)	(446.75)
<b>Net Profit/Loss After Tax</b>	<b>4425.03</b>	<b>(105.44)</b>

### **STATE OF AFFAIRS AND REVIEW OF PERFORMANCE OF THE COMPANY**

The highlights of the Company's performance are as under:

1. Total revenue for the year increased from previous year of 4.15 Lac to current year of 5277.21 Lac.
2. Net Profit for the year increased from previous year of (105.44) Lac to current year of 4425.03 Lac.

### **TRANSFER TO RESERVES & DIVIDEND**

Your Directors are constrained not to recommend any dividend for the year under review.

Further, no amount was transferred to the general reserve for the year under review.

### **CHANGE IN CAPITAL STRUCTURE OF THE COMPANY**

The Company has only one kind of Shares i.e. Equity shares with same voting rights.

At the beginning of the financial year 2018-2019, the issued and paid up share capital of the Company was Rs. 181175000/- divided into 18117500 equity shares of face value of Re. 10/- each.

During the year under review, Company has subdivided the face value of its share from Rs. 10/- per share to Re. 1/- per share.

The Company **had** allotted 32,50,00,000 Equity Shares on 28th December 2018 on preferential basis to promoters as well as to Qualified Investor.

Consequent to the said allotment the issued and paid up share capital of the Company was enhanced to Rs. 506175000/- divided into 506175000 equity shares of face value of Re. 1/- each.

### **EMPLOYEES STOCK OPTION SCHEMES**

Pursuant to the resolution passed by the Shareholders at the Extra Ordinary General Meeting held on December 12, 2018 for the grant of 85,00,000 options which is convertible into 85,00,000 equity shares of face value Re. 1/- each under Vikas Gran Employees Stock Option Plan 2018 to Vikas Gran Employee Welfare Trust. In this regard, the Company has received in principle approval from BSE on 20<sup>th</sup> February 2019. During the year under review your company has granted the 8500000 stock options to Vikas Gran Employee Welfare Trust under Vikas Gran Employees Stock Option Plan 2018 on 11th March 2019.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations), a disclosure with respect to ESOP Scheme of the Company as on March 31, 2019, has been uploaded on Company's website at (**web link: <http://www.vppl.in>**) and attach in **Annexure-IX** in the Directors Report.

During the previous year, there were no changes in the aforesaid ESOP Schemes of the Company and the ESOP Schemes are in compliance with ESOP regulations. A certificate from M/s Yogesh Mahipal

& Associates, Chartered Accountants, Statutory Auditors, with respect to the implementation of the Company's ESOP schemes, would be placed before the shareholders at the ensuing AGM. A copy of the same will also be available for inspection at the Company's registered office upto the date of AGM.

### **CHANGE IN NATURE OF BUSINESS**

The guar gum industry is facing a significant down fall from many years. As prices of guar gum had increased three years back, it had encouraged farmers to take guar seed crop. Export demand was good till 2013-14 but later on it has gradually declined and as result carry over stock of guar seed has created stock burden.

While industry is not hopeful for recovery soon, the management has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. The company has planned to manufacture proppants and mining of granite and fractured debris in Rajasthan. In this regard, Company has obtained approval from its members through a special resolution in its Extra Ordinary General Meeting held on 24<sup>th</sup> March 2018. The Company is now under process of getting the some statutory approval from concerned government departments for commencement of mining .

### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

As your company has diversified its business into the mining of granite block, the revenue of the Company has increased significantly in financial year 2018-19.

### **DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture or associate Company.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review or between the end of that financial year and the date of this report, no significant or material orders were passed by the Regulators or Courts or Tribunals which may impact the going concern status and future operations of the Company.

### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has in place a Risk Management Policy which was reviewed by the Audit Committee and approved by the Board of Directors of the Company. The Policy provides for a robust risk management framework to identify and assess risks such as operational, strategic, financial, security, property, regulatory, reputational and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

Given below are significant potential risks of the Company and measures in place to mitigate them:

The risks are involved in our industry can be classified as mining business is dependent upon government policies and relaxation extended by it.

### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors, which presently comprises of Mrs. Bimla Devi Jindal (Chairman), Mr. Bajrang Dass Aggarwal and Mr. Ravi Sharma as Members.

The Company's vision is to be a global benchmark in value creation and corporate citizenship. The objective of our Corporate Social Responsibility (CSR) initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders.

We continue to remain focused on improving the quality of life and engaging communities through health, education, sports and infrastructure development. The Company believes in following this provision not in law but in spirit too.

The report on CSR activities, in terms of Section 135 of the Companies Act, 2013, is annexed to this report as Annexure VI.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.



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

During the year under review, the Company has not made any loan, given any guarantee or provided security in connection with the loan to any other body corporate or person under Section 186 of the Companies Act, 2013.

### **COST RECORDS AND AUDIT**

The Company is not required to maintain Cost record for any of its product under Section 148 of the Companies Act, 2013. The provisions relating to Companies (Cost Records and Audit) Rules, 2014 does not apply to the Company.

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

In terms of requirement of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies Account(s) Rules, 2014, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure III to this report.

### **ANNUAL RETURN**

The extracts of Annual Return in **Form MGT-9** pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure IV and is attached to this Report.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

During the year under review, the Board has adopted a policy to regulate the transactions of the Company with its related parties. As per policy, all related party transactions require prior approval of the Audit Committee and Board of Directors of the Company. Prior approval of the shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013. The said policy is available on the Company's website viz. [www.vppl.in](http://www.vppl.in).

All contracts, arrangements or transactions entered in to by the Company during the financial year 2018-19, were in the ordinary course of business and were at

an arm's length basis. During the year under review, the Company had not entered into any contract, arrangement or transaction with related parties which could be considered material in accordance with the Company's policy on materiality of related party transactions read with the provisions of the Listing Regulations. Accordingly, there are no transactions which are required to be reported in Form AOC-2 in pursuance of Section 188(1) of the Act.

### **DEPOSITS**

The Company has not accepted any Deposit covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES, INDEPENDENCE**

The Company's policy relating to appointment, resignation or removal of key managerial person, payment of managerial remuneration of directors, directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure II and is attached to this report.

### **COMPOSITION OF BOARD AND NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company maintains the optimum combination of Executive and Independent Directors having rich experience in related sectors. The Board of Directors always endeavor to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term stakeholder value, while, at the same time, respecting the right of all Stakeholders.

As at 31<sup>st</sup> March 2019, there were six directors in the composition of Board of Director of the Company. The Board of Directors comprises three executive directors including an executive chairman and three non-executive independent directors.

There is no nominee director, appointed by any

Financial Institution/Bank on the Board of Directors of the Company. Independent Director did not have any material pecuniary relationship or transactions with the Company during the year 2018-19, which may affect their judgments in any manner.

During the Year under review eleven meeting of Board of Directors were held as on following Dates:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	11/04/2018	9.	09/02/2019
2.	20/04/2018	10.	11/03/2019
3.	29/05/2018	11.	30/03/2019
4.	14/08/2018		
5.	04/09/2018		
6.	05/11/2018		
7.	10/11/2018		
8.	28/12/2018		

### **PERFORMANCE EVALUATION REPORT**

In terms of Companies Act, 2013 and **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, there is requirement of formal evaluation by the Board of its Own Performance and that of its committee and individual directors.

The evaluation of individual directors and the Board as a whole was conducted based on criteria and framework adopted by the Board. The Evaluation criteria has been explained in the Nomination and Remuneration Policy adopted by the Board and forms part of this Annual Report.

### **MANNER & CRITERIA OF FORMAL ANNUAL EVALUATION OF BOARD'S PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

In compliance with requirements of the act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the formal annual performance evaluation of the Board, its Committees and Individual Directors has been conducted as under:

#### **A. Manner of evaluation as recommended to the Board by the Nomination, Remuneration and Compensation Committee (NRCC)**

1. The Chairman of the Board consulted each Director separately about the performance of Board, Committees and other Directors and sought inputs in

relation to the above. The Chairman then collated all the inputs and shared the same with the Board.

2. In respect of the evaluation of Chairman of the Board, the Chairman of the NRCC collated the inputs from Directors about Chairman's performance as a Director of the Board and/ or Chairman or the Member of the Board Committees and shared the same with the Board.

The Board as a whole discussed the inputs on performance of Board/Committees/Individual Directors and performed the evaluation, excluding the Director being evaluated.

#### **B. Criteria of evaluation as approved by the NRCC. The aforesaid evaluation was conducted as per the criteria laid down by the NRCC as follows:**

Performance of	Evaluation Criteria
(i) Board as a whole	<ul style="list-style-type: none"> <li>• Fulfillment of functions of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring Company's governance practices etc., as per the Act and SEBI (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015.</li> <li>• Number of Board Meetings held during the year.</li> </ul>
(ii) Board Committees	<ul style="list-style-type: none"> <li>• Fulfillment of functions of the Committee with reference to its terms of reference, the Act and SEBI (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015</li> <li>• Number of Committee Meetings held during the year.</li> </ul>

iii) Individual Directors	<ul style="list-style-type: none"> <li>• Fulfillment of responsibilities as a Director as per the Act, the SEBI (Listing Obligations &amp; Disclosure Requirements) Regulations, 2015, and applicable Company policies and practices.</li> <li>• In case of the concerned Director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or Member of the Committees, with reference to such status and role.</li> <li>• Board and/or Committee meetings attended.</li> <li>• General Meetings attended.</li> </ul>
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### **CHANGE IN DIRECTORS**

Mrs. Kamini Jindal who was liable to be retires by rotation and presented her self for reappointment, was reappointed as director in the annual general meeting held on 29<sup>th</sup> September 2018. Mrs. Deepika Aggarwal's tenure of 5 year had expired on 30<sup>th</sup> September 2018. Mrs. Aashu Garg was appointed as independent director of the Company for 5 year on 28<sup>th</sup> December 2018 subject to approval of shareholders in AGM 2019. Further Mr. Ravi Sharma & Mr. Neeraj Chhabra was reappointed as independent director of the Company for further 5 year on 01<sup>th</sup> April 2019 subject to approval of shareholders in AGM 2019.

### **RELATIONSHIP AMONG THE DIRECTORS**

Sr. No	Name of Director	Related Director	Relation
1.	Bajrang Dass Aggarwal	Bimla Devi Jindal	Wife
		Kamini Jindal	Daughter
2.	Bimla Devi Jindal	Bajrang Dass Aggarwal	Husband
		Kamini Jindal	Daughter
3.	Kamini Jindal	Bimla Devi Jindal	Mother
		Bajrang Dass Aggarwal	Father

### **INDEPENDENT DIRECTORS**

The Board of Company consists of three independent Directors namely

- Sh. Neeraj Chhabra
- Sh. Ravi Sharma
- Smt. Aashu Garg

The Company has received declaration from all the Independent Directors of the Company under Section 149(7) of the Act, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Above declaration given by Independent Directors is enclosed as Annexure - I to this report.

### **FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on the business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various locations where the Company's operations / activities are carried out are organized for the Independent Directors to enable them to understand the operations of the Company.

The details of familiarization programme for Independent Directors are available on Company's website [www.vppl.in](http://www.vppl.in).

### **AUDITORS**

#### **STATUTORY AUDITORS:**

M/s Yogesh Mahipal & Associates, who was appointed as Statutory Auditors of the Company for a period of 5 year in Annual General meeting held on 30<sup>th</sup> September 2017.

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore donot call for any further clarifications under Section 134 of the Companies Act, 2013

## **SECRETARIAL AUDITOR**

In terms of Section 204 of the Companies Act, The Company had appointed M/s S Vivek & Associates, Company Secretaries, to conduct its Secretarial Audit for the Financial Year ended 31<sup>st</sup> March 2018. The Secretarial Auditors have submitted their report for compliance of the provisions of applicable Corporate Laws and other applicable Laws on the Company. The Report on Secretarial Audit is self-explanatory on compliances. **The report of the Secretarial Auditors is enclosed as Annexure VII to this report.**

## **INTERNAL FINANCIAL CONTROL**

M/s Sanjay Goyal & Associates has been appointed as an internal auditor of the company to review and strengthen the Internal Financial Control system of the Company. The board of director timely review the internal control system and plan company's further strategies accordingly. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

## **INTERNAL CONTROLS**

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations; and
- Transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Directors of the Company regularly reviews the adequacy of internal control systems through such audits.

The Internal Auditor reports directly to the Audit Committee. The Company also has a budgetary control system to monitor expenditure against approved budgets on an ongoing basis.

## **AUDIT COMMITTEE AND VIGIL MECHANISM**

### **AUDIT COMMITTEE**

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31<sup>st</sup>March2019, there were three directors in the composition of Audit Committee of the Company. The Audit Committee comprises two non-executive independent directors including a non-executive independent chairman and one executive director. The members of audit committee are as follow:

<b>Mr. Ravi Sharma</b> (Non-Executive independent Director, Chairman)	<b>Mr. Neeraj Chhabra</b> (Non-Executive Independent Director, Member)	<b>Mrs. BimlaDevi Jindal</b> (Executive Director, Member)
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All members of the Committee are financially literate and have accounting or related financial management expertise.

### **VIGIL MECHANISM**

Our Vigil Mechanism provides a formal mechanism for all directors, employees and vendors to approach the Ethics Counsellor/ Chairman of the Audit Committee.

The Vigil mechanism under section 177 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been laid down by the company. The same is provided on the website of the company [www.vppl.in](http://www.vppl.in).

The mechanism deals with the reporting of any unfair and malaise practice in the company. The policy is also providing safe guard to the persons who are taking initiatives against the practice of unfair mean of business.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other directors. The Company has also provided adequate safeguards against victimization of employees and

directors who express their concerns. The Company has also provided direct access to the chairman of the audit committee on reporting issues concerning the interests of co employees and the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis as required by the Listing Regulations is incorporated herein by reference and forms an integral part of this report. A report is annexed to this report as Annexure X.

### **CORPORATE GOVERNANCE:**

Corporate Governance reporting is a real opportunity to build confidence of stakeholder's. It is the application of best management practices, compliance of law and adherence to ethical standard to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the Organization viz., the Board of Directors, the Senior Management, Employees etc. The Company adopts and adheres to the best recognized Corporate Governance practices and continuously strives to better them.

#### Company's Philosophy on Code of Governance

Vikas Group defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimize its performance and maximize the long-term shareholder value in legal and ethical manner, ensuring justice, courtesy, and dignity in all transactions of the Company. The Company is committed to good Corporate Governance in all its activities and processes.

The Company consider stakeholders as partners in the success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value.

The Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Good Governance practices stem from the dynamic culture and positive mindset of the organization.

We ensure that we evolve and follow the corporate governance guidelines and best practices sincerely

to not just boost long-term shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed to this report Annexure VIII.

### **PARTICULARS OF EMPLOYEES**

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Employees of the Company, are given in Annexure V of this Board's Report.

### **INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT**

The Company continued to maintain harmonious and cordial relations with its workers in all its Divisions, which enabled it to achieve this performance level on all fronts.

The Company has a team of able and experienced professionals. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees. The Company provides personal development opportunities and all-round exposure to them.

### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY SECRETARIAL AUDITOR IN THEIR REPORTS**

There was no qualifications, reservations or adverse remarks made by the secretarial auditor in their report.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of the Board of Directors**

Sd/-

**Bimla Devi Jindal**  
**Managing Director**

**DIN: 00034997**

**Address: 123, Vinoba Basti,**  
**Sri Ganganagar - 335001**

**Place: Sri Ganganagar**

**Date: 02/09/2019**



**Ravi Sharma**  
**129, New Anaj Mandi, Sriganaganagar 335001**

**DECLARATION OF INDEPENDENCE**

**11<sup>th</sup> April 2018**

**To,**

**The Board of Directors**  
**Vikas Proppant & Granite limited**  
**Hisar Road, Siwani - 127046**

**Sub:** Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Ravi Sharma, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - i. holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
    - a) a firm of auditors or company secretaries in practice or cost auditors of 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 10% or more of the gross turnover of such firm;
  - iii. holds together with my relatives 2% or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  - I am not less than 21 years of age.

### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking you,  
Yours faithfully,**

**sd/-  
Ravi Sharma**

**Neeraj Chhabra**  
**R C P Tal Colony Quarter No. - 34, Suratgarh, Sriganganagar 335804**

**DECLARATION OF INDEPENDENCE**

**11<sup>th</sup> April 2018**

**To,**

**The Board of Directors**  
**Vikas Proppant & Granite limited**  
**Hisar Road, Siwani - 127046**

**Sub:** Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Mr. Neeraj Chhabra, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - i. holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
    - a) a firm of auditors or company secretaries in practice or cost auditors of 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 10% or more of the gross turnover of such firm;
  - iii. holds together with my relatives 2% or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  - I am not less than 21 years of age.

### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking you,  
Yours faithfully,**

**sd/-  
Neeraj Chhabra**

**Aashu Garg**  
**R/o 71 N Block, Sriganaganagar-335001**

**DECLARATION OF INDEPENDENCE**

**28<sup>th</sup> December 2018**

**To,**

**The Board of Directors**  
**Vikas Proppant & Granite limited**  
**Hisar Road, Siwani - 127046**

**Sub:** Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Aashu Garg, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - i. holds or has held the position of a key managerial personnel or is or has been employee/ executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of:
    - a) a firm of auditors or company secretaries in practice or cost auditors of 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 10% or more of the gross turnover of such firm;
  - iii. holds together with my relatives 2% or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  - I am not less than 21 years of age.

### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking you,  
Yours faithfully,**

**sd/-  
Aashu Garg**



## NOMINATION AND REMUNERATION POLICY

### PURPOSE

The Company has formed Nomination and Remuneration Policy u/s 178 (1) of Company Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy has been formulated for determining the qualification, Positive attributes of Executive Directors, Non-Executive Directors, Independent Director and Key Managerial Persons of the company.

### DEFINITIONS

“**ACT**” the act shall mean The Companies Act, 2013.

“**COMMITTEE**” the committee shall mean Nomination and Remuneration Committee under Section 178 (1) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**BOARD**” the Board shall mean Board of Directors of Vikas Proppant & Granite Limited.

“**COMPANY**” means the Company Vikas Proppant & Granite Limited.

“**KEY MANAGERIAL PERSONNEL**” means

Chief Executive Officer or the Managing Director or the Manager;  
Whole-time director;  
Chief Financial Officer;  
Company Secretary; and  
Such other officer(s) as may be prescribed

“**SENIOR MANAGEMENT**” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### NOMINATION AND REMUNERATION COMMITTEE

The Company has formed a committee under section 178 (1) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee consists of three members namely:

- Mr. Neeraj Chhabra (Non-Executive Independent Director, Chairman)
- Mr. Ravi Sharma (Non-Executive Independent Director, Member)
- Mrs. Aashu Garg (Non-Executive Independent Director, Member)

### ROLE OF THE COMMITTEE

The Committee has been formulated to perform the following works: -

1. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in Companies Act, 2013 and rules made thereunder and all other provisions applicable, if any, recommend to the Board their appointment and removal. It shall carry out evaluation of every director's performance.

2. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

3. To carry out evaluation of every Director's performance.

4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

5. To perform such other functions as may be necessary or appropriate for the performance of its duties.

### **CRITERIA FOR APPOINTMENT OF DIRECTOR**

Any person who wishes to appoint as a Director of the Company needs to fulfill the following criteria: -

1. His appointment must not be in Contravention of any provision of Companies Act, 2013 and rules made thereunder and all the applicable laws, if any.

2. The appointment shall be subject to applicability of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. The person who wishes to be appointed as a director must have relevant experience in the industry similar to the business of the Company or hold relevant qualification in this regard. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

4. The Director will be eligible for appointment only if he has attained the age of twenty-one years.

### **INDEPENDENT DIRECTOR**

The Independent Director must fulfill the following criteria: -

1. His appointment must not be in Contravention of section 149 of Companies Act, 2013 and rules made thereunder and all the applicable laws, if any.

2. The appointment shall be subject to applicability of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. He shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the Company's business.

### **TERM/TENURE**

#### **1. Managing Director/Whole-time Director:**

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

#### **2. Independent Director: -**

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

(c) At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **REMOVAL**

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

### **RETIREMENT**

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

### **POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

#### **General:**

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

## **REMUNERATION TO WHOLE-TIME/EXECUTIVE/MANAGING DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:**

**a) Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

**b) Minimum Remuneration:** If, in any financial year, the Company has no profits, or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**c) Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## **REMUNERATION TO NON- EXECUTIVE / INDEPENDENT DIRECTOR:**

### **a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

### **b) Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### **c) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**d)** Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

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

Company's own in house development and analytical lab continuously works on upgradation and modification of the present products to meet the requirements of the international market. Apart from this, no new technology was absorbed or adopted by the company during the year.

**A. CONSERVATION OF ENERGY: -**

As a part of ongoing energy saving programme the company has engaged an efficient team to examine the possibility of energy conservation at all operation levels, especially on higher load machines. Sincere efforts are being made to improve the power factor and reduce the overall energy consumption.

The company has taken the following steps towards energy conservation:

- Frequent checking of the capacitors.
- Replacement of high power factor electric motors.
- Installation of LED lamps in major departments to save Electricity
- Timely greasing of the bearings of all the heavy machines.
- Installation of servo stabilizer to boost the voltage.
- The details of total energy consumption are as under:

**B. TECHNOLOGY ABSORPTION : -****a) Efforts made towards technology absorption**

The Company's Research and Development (R&D) center continues to expand and concentrate on the development of new products and processes to significantly moderate its environmental footprint. The Company is devoted to sustainable development and explores new ways of environment preservation and the responsible use of non-renewable resources.

The Company continues to develop new technologies and processes directed at enhancing productivity.

**b) Benefits derived like product improvement, cost reduction, product development**

- Improved product quality and customer satisfaction.
- Increased skill development of R&D personnel to face future challenges

**C. Foreign exchange earning & outgoing:**

Activities relating to exports, initiative taken to increase exports, development of new markets of its manufactured goods and export plans:

The Company is the country's leading manufacturer exporter of guar water-soluble polymers. The company has always given utmost priority to earn valuable foreign exchange in the larger interest of the nation.

Total foreign exchange earnings during the year	NIL
Total foreign exchange used during the year	NIL
Net foreign exchange earned during the year	NIL

**Form MGT-9**  
**Extract of Annual Return**  
**as on the financial year ended on 31st March 2019**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i) CIN	L14100HR1994PLC036433
ii) Registration Date	31.10.1994
iii) <b>Name of the Company</b>	<b>Vikas Proppant &amp; Granite Limited</b>
iv) Category / Sub-Category of the Company	Limited by shares
v) Address of the Registered office and contact details	Hisar Road, siwani, haryana-127046
vi) Whether listed company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	“Link Intime India Private Limited Address: - 44, Naraina Community Centre, Phase-I, PVR Cinema, Naraina, New Delhi TEL. NO. 01141410592”

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sr. No</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the product / service</b>	<b>% to total turnover of the company</b>
1	Mining for removal fractured debris	Group- 099 Class- 0990 Sub Class- 09900	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>S. NO</b>	<b>NAME AND ADDRESS OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>HOLDING/ ASSOCIATE SUBSIDIARY/ ASSOCIATE</b>	<b>Applicable Section</b>
1	NA	NA	NA	NA



IV) SHARE HOLDING, PATTERN ( EQUITY , SUBSIDIARY AND ASSOCIATE COMPANIES

i) Category- wise Share Holding

S. No	Category of Share Holder	Shareholding at the beginning of the year-2018				Shareholding at the end of the year 2019				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>[1]</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	1151228	0	1151228	'6.3542	13515300	0	13515300	'2.6701	'2.6701
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	<b>Sub Total (A)(1)</b>	<b>1151228</b>	<b>0</b>	<b>1151228</b>	<b>'6.3542</b>	<b>13515300</b>	<b>0</b>	<b>13515300</b>	<b>'2.6701</b>	
<b>[2]</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor0	0	0	'0.0000	0	0	0	'0.0000	'0.0000	
(e)	Any Other (Specify)									
	<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>1151228</b>	<b>0</b>	<b>1151228</b>	<b>'6.3542</b>	<b>13515300</b>	<b>0</b>	<b>13515300</b>	<b>'2.6701</b>	
<b>(B)</b>	<b>Public Shareholding</b>									
<b>[1]</b>	<b>Institutions</b>									
(a)	Mutual Funds / UTI	0	0	'0.0000	0	0	0	'0.0000	'0.0000	
(b)	Venture Capital Funds	0	0	'0.0000	0	0	0	'0.0000	'0.0000	
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor0	0	0	'0.0000	0	0	0	'0.0000	'0.0000	
(f)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(g)	Insurance Companies	0	0	'0.0000	0	0	0	'0.0000	'0.0000	
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i)	Any Other (Specify)									
	<b>Sub Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	<b>0.0000</b>
<b>[2]</b>	<b>Central Government/ State Government(s)/ President of India</b>									
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>'0.0000</b>	<b>0.0000</b>
<b>[3]</b>	<b>Non-Institutions</b>									
(a)	Individuals									

S. No	Category of Share Holder	Shareholding at the beginning of the year-2018				Shareholding at the end of the year 2019				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	2138768	604815	2743583	'15.1433	45715047	5512000	51227047	'10.1204	'10.1204
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	12759219	19300	12778519	'70.5314	408050359	193000	408243359	'80.6526	'80.6526
(b)	NBFCs registered with RBI	0	0	0	'0.0000	14822	0	14822	'0.0029	'0.0029
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	<b>Foreign Nationals</b>	0	0	0	'0.0000	0	1030000	1030000	'0.2035	'0.2035
	Hindu Undivided Family	0	103000	103000	'0.5685	4961636	0	4961636	'0.9802	'0.9802
	Non Resident Indians (Non Repat)	532633	0	532633	'2.9399	1827260	0	1827260	'0.3610	'0.3610
	Non Resident Indians (Repat)	26885	0	26885	'0.1484	15550253	0	15550253	'3.0721	'3.0721
	Clearing Member	159256	0	159256	'0.8790	3283401	0	3283401	'0.6487	'0.6487
	Bodies Corporate	36062	0	36062	'0.1990	6377922	144000	6521922	'1.2885	'1.2885
	<b>Sub Total (B)(3)</b>	<b>571934</b>	<b>14400</b>	<b>586334</b>	<b>'3.2363</b>	<b>485780700</b>	<b>6879000</b>	<b>492659700</b>	<b>'97.3299</b>	<b>'97.3299</b>
	<b>Total Public Shareholding (B)=(1)+(2)+(B)(3)</b>	<b>16224757</b>	<b>741515</b>	<b>16966272</b>	<b>'93.6458</b>	<b>485780700</b>	<b>6879000</b>	<b>492659700</b>	<b>'97.3299</b>	<b>'97.3299</b>
	<b>Total (A)+(B)</b>	<b>16224757</b>	<b>741515</b>	<b>16966272</b>	<b>100.00</b>	<b>499296000</b>	<b>6879000</b>	<b>506175000</b>	<b>'100.0000</b>	<b>'100.0000</b>
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder				0	0	0	'0.0000	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	<b>Total (A)+(B)+(C)</b>	<b>17375985</b>	<b>741515</b>	<b>18117500</b>	<b>'100.0000</b>	<b>499296000</b>	<b>6879000</b>	<b>506175000</b>	<b>100.0000</b>	<b>100.0000</b>

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year-2018				Shareholding at the end of the year 2019				% of shareholding during the year
		No. of Share held	% of Total Shares of Company	% of Share Pledge encumbered to total share	% of Share Pledge encumbered to total share	No. of Shares held	% of Total share of the Company	% of share pledge encumbered to total shares	% of share pledge encumbered to total shares	
1	Bimla Devi Jindal	0	0	0	0	100000000	19.7560	0.0000	0.0000	19.7560
2	Kamini Jindal	0	0	0	0	13505000	2.6680	0.0000	0.0000	2.6680
3	Bajarang Dass Aggarwal	1151228	6.3542	0.0000	0.0000	10300	0.0020	0.0000	0.0000	6.3522
	<b>Total</b>	<b>1151228</b>	<b>6.3542</b>	<b>0.0000</b>	<b>0.0000</b>	<b>113515300</b>	<b>22.4260</b>	<b>0.0000</b>	<b>0.0000</b>	<b>28.7762</b>

(iii) Change in Promoters Shareholding (Please Specify, if there is no change)

S. No	Name & Type of Transaction	Shareholding at the beginning of the year-2018		Transaction during the year		Cumulative Shareholding at the End of the Financial year- 2019	
		No of shares held	% of total Shares of the Company	Date of Transection	No. of Shares	No of shares held	% of total Shares of the Company
1	Bimla Devi Jindal	0	0.0000			0	0.0000
	Transfer			25 Jan 2019	100000000	100000000	19.7560
	At the end of year					100000000	19.7560
2	Kamini Jindal	0	0.0000			0	0.0000
	Transfer			16 Nov 2018	5000	5000	0.0010
	Transfer			25 Jan 2019	13500000	13505000	2.6680
	At the end of year					13505000	2.6680
3	Bajrang Dass Aggarwal	1151228	6.3542			0	0.0000
	Sub Division			13 Jul 2018	11512280	11512280	2.2744
	Transfer			16 Nov 2018	(5000)	11507280	2.2734
	Transfer			31 Mar 2019	(11496980)	10300	0.0020
	At the end of year					10300	0.0020

- Note:**
1. Paid up Share Capital of the Company (Face Value Rs. 1.00) at the end of the Financial Year 31st March 2019 is Rs. 506175000.  
Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the Financial Year 31st March 2018 is Rs. 181175000.
  2. The details of holding has been clubbed based on PAN.
  3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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

S. No	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding at the End of the Financial year	
		No of shares held	% of total Shares of the	Date of Transection	No. of Shares	No of shares held	% of total Shares of the
1	Komal	0	0.0000		0	0.0000	
	Transfer			25 Jan 2019	106500000	106500000	21.0402
	At the end of year					106500000	21.0402
2	Kanta Devi	0	0.0000			0	0.0000
	Transfer			25 Jan 2019	105000000	105000000	20.7438
	At the end of year					105000000	20.7438
3	Ganesh Kumar	0	0.0000			0	0.0000
	Transfer			07 Sep 2018	647952	647952	0.1280
	Transfer			14 Sep 2018	282083	930035	0.1837
	Transfer			21 Sep 2018	3645845	4575880	0.9040
	Transfer			29 Sep 2018	9224120	13800000	2.7263
	Transfer			19 Oct 2018	703250	14503250	2.8653
	Transfer			15 Mar 2019	603265	15106515	2.9844
	Transfer			22 Mar 2019	36085	15142600	2.9916
At the end of year					15142600	2.9916	
4	Vivek Kumar Bhauka	0	0.0000			0	0.0000
	Transfer			02 Nov 2018	1600000	1600000	0.3161
	Transfer			16 Nov 2018	800000	2400000	0.4741
	Transfer			30 Nov 2018	918184	3318184	0.6555
	Transfer			07 Dec 2018	2081816	5400000	1.0668
	At the end of year					5400000	1.0668

S. No	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding at the End of the Financial year	
		No of shares held	% of total Shares of the	Date of Transaction	No. of Shares	No of shares held	% of total Shares of the
5	Shiv Ratan Bhauka	0	0.0000			0	0.0000
	Transfer			22 Mar 2019	5000000	5000000	0.9878
	At the end of year					5000000	0.9878
6	Anup Kumar	362723	2.0021			0	0.0000
	Transfer			06 Jul 2018	3627230	3627230	0.7166
	Transfer			27 Jul 2018	238000	3865230	0.7636
	Transfer			21 Sep 2018	260000	4125230	0.8150
	At the end of year					4125230	0.8150
7	Ashok Kumar Aggarwal	0	0.0000			0	0.0000
	Transfer			31 Aug 2018	75000	75000	0.0148
	Transfer			21 Sep 2018	(75000)	0	0.0000
	Transfer			22 Sep 2018	75000	75000	0.0148
	Transfer			12 Oct 2018	75000	150000	0.0296
	Transfer			02 Nov 2018	100000	250000	0.0494
	Transfer			09 Nov 2018	38768	288768	0.0570
	Transfer			16 Nov 2018	240000	528768	0.1045
	Transfer			23 Nov 2018	50000	578768	0.1143
	Transfer			30 Nov 2018	725000	1303768	0.2576
	Transfer			07 Dec 2018	500000	1803768	0.3564
	Transfer			21 Dec 2018	105513	1909281	0.3772
	Transfer			28 Dec 2018	243703	2152984	0.4253
	Transfer			11 Jan 2019	700000	2852984	0.5636
	Transfer			25 Jan 2019	51700	2904684	0.5738
	Transfer			01 Feb 2019	650000	3554684	0.7023
	Transfer			08 Feb 2019	(354684)	3200000	0.6322
	Transfer			22 Feb 2019	(200000)	3000000	0.5927
	Transfer			01 Mar 2019	(193690)	2806310	0.5544
	Transfer			15 Mar 2019	225000	3031310	0.5989
Transfer			29 Mar 2019	200000	3231310	0.6384	
	<b>At the end of year</b>					<b>3231310</b>	<b>0.6384</b>
8	Anuil Kumar K	0	0.0000			0	0.0000
	Transfer			01 Feb 2019	1136463	1136463	0.2245
	Transfer			15 Feb 2019	1500000	2636463	0.5209
	At the end of year					2636463	0.5209
9	R. S. Shares & Secutities Ltd	175702	0.9698			0	0.0000
	Transfer			13 Jul 2018	2827020	2827020	0.5585
	Transfer			21 Sep 2018	(2827020)	0	0.0000
	Transfer			22 Sep 2018	2827020	2827020	0.5585
	Transfer			22 Mar 2019	(600000)	2227020	0.4400
	At the end of year					2227020	0.4400
10	Purushottam Ganesh Gokhale	0	0.0000			0	0.0000
	Transfer			26 Oct 2018	900000	900000	0.1778
	Transfer			14 Dec 2018	200000	1100000	0.2173
	Transfer			04 Jan 2019	400000	1500000	0.2963
	Transfer			01 Feb 2019	290000	1790000	0.3536
	Transfer			15 Feb 2019	10000	1800000	0.3556
	Transfer			01 Mar 2019	150000	1950000	0.3852
	At the end of year					1950000	0.3852

- Note: 1. Paid up Share Capital of the Company (Face Value Rs. 1.00) at the end of the Financial Year 31st March 2019 is Rs. 506175000.  
Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the Financial Year 31st March 2018 is Rs. 181175000.”
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and key Managerial Personnel:

1) Bimla Devi Jindal

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the the year	
		No of shares	% of total share of the Company	No of shares	% of total share of the Company
1	At the beginning of the year	0	0	0	0
	Increase in Shareholding during the year- 25 Jan 2019 (allotment)	100000000	19.7560	100000000	19.7560
	<b>At the end of the year</b>	<b>100000000</b>	<b>19.7560</b>		

2) Kamini Jindal

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the the year	
		No of shares	% of total share of the Company	No of shares	% of total share of the Company
2	At the beginning of the year	0	0	0	0
	Increase in Shareholding during the year 16 Nov 2018(transfer from B.D. Aggarwal)	5000	0.0010	5000	0.0010
	Increase in Shareholding during the year 25 Jan 2019(allotment)	13500000	2.6670	13505000	2.6680
	<b>At the end of the year</b>	<b>13505000</b>	<b>2.6680</b>		

3) Bajrang dass Aggarwal

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the the year	
		No of shares	% of total share of the Company	No of shares	% of total share of the Company
3	At the beginning of the year	1151228	6.35	1151228	6.35
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	13 Jul 2018 (subdivision of shares)	11512280	2.2744	11512280	2.2744
	16 Nov 2018 (transfer to Kamini Jindal)	-5000	0.0010	11507280	2.2734
	31 March 2019 (transfer)	-11496980	2.2714	10300	0.002
	<b>At the end of the year</b>	<b>10300</b>	<b>0.0020</b>		

## V. INDEBTEDNESS

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

(Amount in Lac)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	10651.45	-	10651.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>10651.45</b>	-	<b>10651.45</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	4231.96	-	4231.96
<b>Net Change</b>	-	<b>4231.96</b>	-	<b>4231.96</b>
Indebtedness at the end of the financial year				
i) Principal Amount	-	6419.49	-	6419.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>6419.49</b>		<b>6419.49</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.		Particulars of Remuneration			Total Amount
		Bimla Devi Jindal	Bajrang Dass Aggarwal	Kamini Jindal	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	-	-

**B. Remuneration to other directors**

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ravi Sharma	Neeraj Chhabra	Aashu Garg	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
	<b>Total Managerial Remuneration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S.No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	C.F.O.	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not applicable	564000	0	564000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>Not applicable</b>	<b>564000</b>	<b>NIL</b>	<b>564000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
	Penalty	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
	Penalty	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
	Penalty	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil



**ANNEXURE- V****Remuneration under section 197(12) of Company Act, 2013**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Detail</b>
	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	No remuneration is paid to any director.
	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	No increment has taken place during the year 2018-19.
	The percentage increase in the median remuneration of employees in the financial year.	No increment has taken place during the year 2018-19.
	The number of permanent employees on the pay roll of company.	42
	The explanation on the relationship between average increase in remuneration and company performance.	The Company has not increased any remuneration during the year 2018-19.
	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	The company has not increased the any remuneration of KMP's during the year 2018-19, but Companies Net Profit for the year increased from previous year of (105.44) Lac to current year of <b>4425.03</b> Lac
	Average percentile increases 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 increase either in managerial remuneration or in salaries of the employees.
	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.	Company has not paid any managerial remuneration to directors of the Company except salary to Company Secretary.
	The key parameters for any variable component of remuneration availed by the directors.	Not Applicable
	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.	Not Applicable

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY**

The Company has been actively participating in Social activities. The Company believes in giving to the society in which it operates. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder's lives.

### **REFERENCE TO THE WEB-LINK TO THE CSR POLICY**

The Company's policy on CSR is available on company website of the Company.

### **CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Keeping in line with section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') headed by an independent director, to inter alia, carry out the following functions:

- (a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in prescribed Schedule;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
- (c) To monitor the Corporate Social Responsibility Policy from time to time.

### **OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN**

CSR activities of the Company will have the following thrust areas:

- To promote the education of the children, the Company is actively participating and holding programmes for motivating the students about their education. The Company is currently distributing the scholarship for their basic as well as higher education and these will also be continued in the upcoming years. To promote medical education, the company is also undertaking a project of establishing Medical College.
- To reduce the poverty and to encourage the cultivation basic resources like seeds are provided to the farmers for giving them economical support.
- To promote healthcare by increasing medical facilities by the mean of establishing Medical College.
- To promote gender equality, empowering women, and facilitate the old age.
- To take initiatives for the protection of environment and to maintain the ecological balance.
- To protect the national heritage and take steps for its development.
- To practice all the works that will help in eradicating hunger, poverty, and malnutrition.

## **MONITORING**

The administration of the CSR Policy and the execution of CSR projects, shall be carried out under the overall superintendence and guidance of Committee formed for this purpose.

The Committee shall submit its report basis to the CSR Committee formed under the Act which shall monitor the CSR Policy of the Company from time to time.

Further, any or all provisions of the CSR Policy would be subject to revision/ amendment by the Board of Directors of the Company based on the recommendations of the CSR Committee or else in accordance with the guidelines on the subject as may be issued, from time to time.

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### **Highlight on Current Year Corporate Social Responsibility Provisions**

**Average net profit of the company for last three financial years:** Average of Last three-year profit and loss is in negative figure.

**Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Not Applicable because average of last three years Profit and Loss is in negative figure.

#### **Details of CSR spent during the financial year.**

<b>(a) Total amount to be spent for the financial year;</b>	Not Applicable
<b>(b) Amount unspent</b>	Not Applicable
<b>(c) Manner in which the amount spent during the Financial Year is detailed below</b>	Not Applicable
<b>(d) Reason for not spending the amount</b>	Not Applicable

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended On March 31, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**TO**  
**The Members**  
**Vikas Proppant & Granite Limited**  
**Hisar Road**  
**Siwani-127046 (India)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VIKAS PROPPANT & GRANITE 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 March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the company during the audit period)

(vi) The Management has identified and confirmed the following other laws as specifically applicable to the Company ;

- (a) Payment of Wages Act, 1936 and rules made thereunder;
- (b) The Minimum Wages Act, 1948 and rules made thereunder;
- (c) Employees' State Insurance Act, 1948 and rules made thereunder;
- (d) The Employees' provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder;
- (e) The Payment of Bonus Act, 1965 and rules made thereunder;
- (f) Payment of Gratuity Act, 1972 and rules made thereunder;
- (g) Air (Prevention and Control of Pollution) Act, 1981;
- (h) Water (Prevention and Control of Pollution) Act, 1974;
- (i) Factory Act, 1948;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of the Board of Directors and General Meetings;
- (ii) The Listing agreements entered into by the Company with Bombay Stock Exchange read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Companies Act, 2013 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation;

**Observation No.1:-**

**As per the Section 203 of Companies Act, 2013, Appointment of CFO is mandatory and which has been made by the Company on April 25, 2019.**

**Observation No.2:-**

**There is delay in filing of TDS & GST returns for the financial year 2018-19.**

**We further report that:-**

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

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at a shorter notice, 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.

All decisions of the Board Meetings and Committee Meetings thereof were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

**We further report that** during the audit period, the company has following specific event/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For S Vivek & Associates  
Company Secretaries**

**Sd/-**

**Date: August 22, 2019  
Place: New Delhi**

**Vivek Sharma  
C.P No.: 20906  
ACS No.: 56155**

**NOTE:**

This Report is to be read with our letter of even date which is annexed as 'ANNEXURE- A' and forms an integral part of this Report.

## Annexure-A

**To,  
The Members  
Vikas Proppant & Granite Limited  
Hisar Road  
Siwani-127046 (India)**

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

1. Maintenance of Secretarial and other laws records/compliance is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S Vivek & Associates  
Company Secretaries**

**Sd/-**

**Vivek Sharma**

**C.P No.: 20906**

**ACS No.: 56155**

**Date: August 22, 2019**

**Place: New Delhi**



## **CORPORATE GOVERNANCE**

The Directors of the Company are pleased to present the report on corporate governance for the year ended March 31, 2019.

### **Company's philosophy on code of Corporate Governance**

The Company has established a reputation for honesty, integrity and sound governance.

The Company fully subscribes to the principles and spirit of Corporate Governance. The Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable it to achieve the long-term objectives and goals. As part of its Corporate Governance philosophy, the company focuses its energies in safeguarding the interests of its stakeholders by utilizing its resources for maximum benefits.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance of Code of Conduct adopted by the Company.

The Company has also implemented several best corporate governance practices as prevalent globally, such as the Whistle Blower Policy and Code of Conduct & Ethics. The Company has complied with all the requirements relating to Corporate Governance as stipulated under Regulation 27(2) of the (LODR) Listing Regulation 2015. The report of the directors on corporate governance is given as a separate certificate is annexed to the Report on Corporate Governance.

### **BOARD OF DIRECTORS: -**

The Company's policy is to have a proper blend of Executive and Non-Executive Directors to maintain independence of the Board and at the same time separate the Board's functions of governance from the Management. As on March 31, 2019, in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company's Board of Directors headed by its Chairman – Mrs. Bimla Devi Jindal, comprises of five other directors, out of which, three directors are Independent Non-Executive Directors. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. The Board confirms that the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the management.

The Company has a high-profile Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience.

The Board being aware of its fiduciary responsibilities recognizes its responsibilities towards all stakeholders to uphold highest standards in all matters concerning the Company. It has empowered responsible persons to implement its broad policies, guidelines and has set up adequate review processes. The Board provides strategic guidance on the affairs of the Company. The Independent Directors provide independent and objective judgement on matters placed before them.

The Directors are elected based on their qualification and experience in varied fields. The Independent Directors annually provide a certificate of independence in accordance with the applicable laws which is taken on record by the Board. All Board members are encouraged to meet and interact with the management. Board members are invited at key meetings of senior management for strategic guidance and advice.

#### **a. Composition**

As on the year ended 31<sup>st</sup> March 2019, the company consists of 6 directors including 3 independent directors.

The Company Board has an optimum combination of Executive, Non-Executive and Independent Directors with one-woman Directors, as per requirements of Regulation 17 of SEBI (Listing Obligation and disclosure Requirements) Regulation 2015 (SEBI Listing Regulation). The Composition of Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Regulations and the Companies Act, 2013.

The brief profile of directors of the company has given below.

#### **Brief Profile of Directors**

The Board of Directors comprises of highly renowned professionals drawn from diverse fields. They bring with them wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

Brief profile of the Company's Board of directors is as under:

➤ **Mrs. Bimla Devi Jindal (Executive Director)**

Mrs. Bimla Devi Jindal, wife of Mr. B.D. Aggarwal belonging to the promoter group is the current Chairman and Managing Director in the company. She has been appointed by the Board in 2007. She holds a bachelor's Degree in Commerce from the University of Haryana. She belongs to a leading Guar Gum Industrialist family. Her long-term experience and association with Guar Gum industry is helping and enlightening the glory paths of the company.

➤ **Mr. B.D. Aggarwal (Executive Director)**

Mr. B.D. Aggarwal is a well-known and trusted name for Guar Gum Industry. He is one of the most respected business personalities in India. Not only for guar crop harvesting farmers he is a helping hand but also to others, may it be on farming end or educational end. He has introduced new standards in management, efficiency and corporate social responsibility to an industry he has helped transform.

➤ **Mrs. Kamini Jindal (Executive Director)**

Mrs. Kamini Jindal, belonging to promoter group is an Executive Director in the company. She has been appointed by the Board in 2012. Ms. Kamini Jindal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art and Master of Philosophy. She is the youth diva in the board of the company. She is the daughter of Mr. B.D. Aggarwal and Mrs. Bimla Devi Jindal. From her childhood she has taken keen interest in the working of the company. Her long-term association with Industry has brought immense value to the board.

➤ **Mr. Neeraj Chhabra (Independent Director)**

Mr. Neeraj Chhabra is a person with excellent academic background and possesses good educational qualifications. He is post graduate in Pharmacy. Having vast knowledge about chemical aspects, his expertise is leading company on high quality manufacturing guar gum powder.

➤ **Mrs. Aashu Garg (Independent Director)**

Mrs. Aashu Garg Independent Director of the company has been appointed by the Board on 28<sup>th</sup> December 2018. Mrs. Aashu Garg is a person with excellent academic background and possesses good educational qualifications.

➤ **Mr. Ravi Sharma (Independent Director)**

Mr. Sharma is a person with excellent academic background and possesses good educational qualifications. He is master's in commerce and master's in business administration. He is having vast knowledge of accountancy and taxation. His expertise is leading company to gain new heights.

**b. Attendance of each director up to 31<sup>st</sup> March 2019 at the Board meetings and at last Annual General Meeting: -**

Sr. No.	Name of the Director	No. of board meetings attended	Attendance at the AGM held on September 29, 2018
1.	Bimla Devi Jindal	11	Yes
2.	B.D. Aggarwal	11	Yes
3.	Kamini Jindal	11	Yes
4.	Ravi Sharma	11	Yes
5.	Aashu Garg	03	No
6.	Neeraj Chhabra	11	Yes

c. The company has held Eleven Board Meetings during the year as on the following dates:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	11/04/2018	9.	09/02/2019
2.	20/04/2018	10.	11/03/2019
3.	29/05/2018	11.	30/03/2019
4.	14/08/2018		
5.	04/09/2018		
6.	05/11/2018		
7.	10/11/2018		
8.	28/12/2018		

d. No payments were made during the year to Non-Executive Directors towards sitting fees.

e. The necessary quorum was present for all the meetings.

#### COMMITTEES OF THE BOARD

To deal with urgent or special issues/matters and to manage the work of the board, the board has constituted various committees. The committees have adequate delegation of powers to discharge respective functions as well as to meet the requirements of the business of the company. The execution of the responsibilities by the committees is supervised by the board who is also responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. At present, the board has following committees:

##### ➤ Stakeholders Relationship Committee: -

Stakeholders Relationship Committee is entrusted with the responsibility of redressal of all the shareholder's/investors complaints related to transfer of shares, non-receipt of annual reports etc. The Committee also oversees the performance of the Registrar & Transfer Agents of the company and suggests measures for betterment in the quality of investor services. At present the Stakeholders Relationship Committee of the company comprises of Sh. Neeraj Chhabra, Sh. Ravi Sharma, Smt. Kamini Jindal & Smt. Aashu Garg. Smt. Deepika Aggarwal's term has expired on 30th September 2018. Smt. Aashu garg was appointed as member of the committee on 28th December 2018.

(a) Name of the Non-Executive Director heading the Committee: Sh. Neeraj Chhabra.

(b) Name and Designation of Compliance officer: Mr. Praveen Bishnoi (Company Secretary)

S r . No.	Name of Director	Designation	Attended		
			29.05.2018	14.08.2018	09.02.2019
1.	Neeraj Chhabra	Chairman	Yes	Yes	Yes
2.	Ravi Sharma	Member	Yes	Yes	Yes
3.	Kamini Jindal	Member	Yes	Yes	Yes
4	Smt. Deepika Aggarwal	Member	Yes	Yes	NA
5	Smt Aashu Garg	Member	NA	NA	Yes

➤ **Corporate Social Responsibility Committee: -**

• **Formation of Committee**

Pursuant to Section 135 of the Companies Act, 2013 the Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors. The terms of reference of the CSR Committee are as per the provisions of the Companies Act, 2013. Details of meetings held during the year was as follows:

S r . No.	Name of Director	Designation	Attended			
			29.05.2018	14.08.2018	05.11.2018	09.02.2019
1.	Bimla Devi Jindal	Chairman	Yes	Yes	Yes	Yes
2.	Bajrang Dass Aggarwal	Member	Yes	Yes	Yes	Yes
3.	Ravi Sharma	Member	Yes	Yes	Yes	Yes

➤ **Audit Committee: -**

The Audit committee comprises of three directors viz. Mr. Ravi Sharma, Mr. Neeraj Chhabra and Mrs. Bimla Devi Jindal. The committee is headed by Mr. Ravi Sharma, Independent Director of the company.

The constitution of Audit committee also meets with the requirements under Section 177 of The Companies Act, 2013.

The terms of reference stipulated by the Board to the Audit committee are, as contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as follows:

**Financial Reporting and Related Processes**

Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.

- Reviewing with Management, the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

During the year, the Committee has met four times as follow:

S r . No.	Name of Director	Designation	Attended			
			29.05.2018	14.08.2018	05.11.2018	09.02.2019
1.	Ravi Sharma	Chairman	Yes	Yes	Yes	Yes
2.	Bimla Devi Jindal	Member	Yes	Yes	Yes	Yes
3.	Neeraj Chhabra	Member	Yes	Yes	Yes	Yes

➤ **Nomination and Remuneration Committee**

At present the Nomination and Remuneration Committee comprises of Mr. Neeraj Chhabra, Mr. Ravi Sharma and Mrs. Aashu Garg. Smt. Deepika Aggarwal's term has expired on 30th September 2018. Smt. Aashu Garg was appointed as member of the committee on 28th December 2018.

During the year, the Committee has met four times as follow:

Sr. No.	Name of Director	Designation	Attended		
			29.05.2018	14.08.2018	09.02.2018
1.	Neeraj Chhabra	Chairman	Yes	Yes	Yes
2.	Ravi Sharma	Member	Yes	Yes	Yes
3.	Deepika Aggarwal	Member	Yes	Yes	NA
4.	Aashu Garg	Member	NA	NA	Yes

➤ **Risk Management Committee**

The Company has formed a risk management committee. The Committee is required to identify the risks involved in the company and to ensure a proper reporting of the risks to the Board of Directors, so that they can form their business strategies as per that. The Committee consist of three members namely:-

Sr.	Name of Director	Designation	Attended			
			29.05.2018	14.08.2018	05.11.2018	09.02.2019
1.	Mrs. Bimla Devi Jindal	Chairman	Yes	Yes	Yes	Yes
2.	Mr. Bajrang Dass Aggarwal	Member	Yes	Yes	Yes	Yes
3.	Mrs. Kamini Jindal	Member	Yes	Yes	Yes	Yes

The Committee has laid down a policy known as Risk Management policy for identification of risk involved.

➤ **Independent Directors' Meeting**

During the year under review, the Independent Directors met on February 9, 2018, inter alia, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

➤ **Means of Communication**

The company recognizes the prompt, continuous and effective communication of information is the core of good corporate governance practice. Therefore, the company shares information and data through below mentioned multiple channels of communication: -

- (a) **Half-Yearly results:** As the results of the company are published in the two newspapers (Financial Express English edition and Business Standard Hindi edition.)
- (b) **Quarterly results:** As the results of the company are published in the two newspapers (Financial Express English edition and Business Standard Hindi edition.) **Website:** [www.vppl.in](http://www.vppl.in)
- (c) Shareholder's information section forms part of the Annual Report.
- (d) There is no separate annexure in addition to Directors' report on Management's Discussion and Analysis except incorporated in the Directors report itself.

➤ No banker or Financial Institutions have direct or indirect role in appointment of the Directors of the Company.

➤ **Disclosures**

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large :-**None**
- (b) Details of non-compliance by the Company, strictures imposed on the Company by Stock Exchanges or SEBI, on any matter related to capital markets, during the last three years :- **None**

A separated section on Corporate Governance forms part of the Annual Report and a Certificate from Statutory Auditors confirming the compliance of the conditions, forms the part of this report.

➤ **General Share Holders' Information**

1. **Annual General Meeting (Date, Time and Venue)** : 28<sup>th</sup> September, 2019 at 11.00 A.M. Railway Road, Siwani, Haryana-127046
2. Book closure date : 22<sup>nd</sup> Sept. 2019 to 28<sup>th</sup> Sept., 2019
3. Dividend payment date : N.A
4. Registered Office : Hisar Road, Siwani (Haryana)
5. a. Equity shares Listed on stock Exchanges at : The Stock Exchange, Mumbai, (Code No. 531518)
- b. Demat ISIN Numbers in NSDL & CDSL : INE767B01022

6. Stock Market Data on BSE (in Rs. / per Share):

Month	April 2018	May 2018	June 2018	Jul 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019
<b>High</b>	11.60	9.25	9.80*	0.96	1.28	1.40	1.83	2.53	3.64	5.55	8.08	11.66
<b>Low</b>	8.13	7.40	0.92*	0.76	0.87	1.34	1.42	1.86	2.57	3.64	5.66	8.24

\*The face value of the equity shares of the company was changed from Rs. 10/- per equity share to Re. 1/- per equity share w.e.f. 25<sup>th</sup> June 2018.

7. Registrar and Transfer Agents : Link Intime India Pvt. Limited  
Noble Heights, 1st Floor, Plot No.  
NH 2, LSC, C-1 Block, Near  
Savitri Market, Janakpuri,  
New Delhi-110058

8. Distribution of shareholding Pattern as on 31<sup>st</sup> March 2019

Share or Debenture holding Nominal value Rs.	Number of shareholders	% of total shareholders	Total shares for the range	% of issued capital
<b>Up to 500</b>	2675	24.4114	525839	0.1039
<b>501-1000</b>	2750	25.0958	2663953	0.5263
<b>1001-2000</b>	1456	13.2871	2652952	0.5241
<b>2001-3000</b>	629	5.7401	1761207	0.3479
<b>3001-4000</b>	354	3.2305	1345979	0.2659
<b>4001-5000</b>	665	6.0686	3267196	0.6455
<b>5001-10000</b>	916	8.3592	7436281	1.4691
<b>10001 &amp; Above</b>	1513	13.8073	486521593	96.1173
<b>Total</b>	<b>10958</b>	<b>100</b>	<b>506175000</b>	<b>100</b>

9. Dematerialisation of Share : Approximately 98.64% of the equity shares have been dematerialized upto 31<sup>st</sup> March 2019.
10. Outstanding GDRs/ ADRs/ Warrants : The company has not issued any GDRs/ADRs/ Warrants instruments, conversion date and likely impact on equity of any convertible instrument.
11. Buy Back of shares : The Company has no plan to buy-back its equity shares.
12. Address for Correspondence : Hisar Road, Siwani (Harayana)

**By the order of Board**

**Place :** Sri Ganganagar  
**Date :** 02/09/2019

Sd/-  
**Bimla Devi Jindal**  
**Managing Director**  
**DIN:** 00034997  
**Address:** 123, VinobaBasti,  
Sri Ganganagar - 335001



➤ **Statement of Disclosure by Audit Committee to the Shareholders**

**To,**

The Shareholders,

**Vikas Proppant & Granite Limited**

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, we the members of the Audit Committee disclose in respect of the Financial Year 2017-2018 that:

- 1) The audit committee has reviewed the Audited Financial Statement of the Company and held discussion on the quality of the accounting principles as applied and significant judgments affecting Company's financial statements;
- 2) The audit committee has discussed the quality of those principles as applied and judgments referred on (1) above under the circumstances;
- 3) The chairman of the audit committee and its members after initial discussion amongst themselves, invited the Chairman and Executive Directors of the Company along with the Internal Auditor to discuss the various issues related to Audited Financial Statements of the Company. The Members of the Audit Committee discussed with the Management on the various issues pertaining to the Audited Financial Statements;
- 4) The audit committee, in reliance on the review and discussion conducted with Management in (1), (2) and (3) above, believed that the Company's financial statements are fairly presented in conformity with the generally accepted accounting principles in all material respects.

**For and on Behalf of Audit Committee of  
Vikas Proppant & Granite Limited**

**Date:** 02/09/2019  
**Place:** Sri Ganganagar

**Sd/-  
Ravi Sharma  
Chairman, Audit Committee**

**CERTIFICATION BY CEO/CFO UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

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To,

The Board of Directors,

**Vikas Proppant & Granite Limited**

I have reviewed the financial statements and the cash flow statement of **Vikas Proppant & Granite Limited** for the year ended March 31st, 2019 and to the best of my knowledge and belief:

- (a) (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 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 the internal control systems of the Company pertaining to financial reporting and 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 for rectifying 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 made during the year and 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.

**For Vikas Proppant & Granite Limited**

**Sd/-  
Bimla Devi Jindal  
(Managing Director)**

**Date:** 02/09/2019

**Place:** Sri Ganganagar,

## CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members**  
**Vikas proppant & granite limited**  
**Hisar road**  
**Siwani, Haryana 127046**

We have examined the compliance of the conditions of Corporate Governance by Vikas Proppant & Granite Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that the compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2019.

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

**For S Vivek & Associates**

**Company Secretaries**

**Vivek Sharma**

**M. No.-56155**

**C P No.:20906**

Place: New Delhi

Date: August 22, 2019

Vikas Proppant & Granite Limited**Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - For the financial year 2018-19**

The Vikas Gran Employees Stock Option Plan 2018 was approved by the shareholders of the Company on December 12, 2018. There is no modification in the Vikas Gran Employees Stock Option Plan 2018.

**A. Details related to Vikas Gran Employees Stock Option Plan 2018:**

<b>Description of the Vikas Gran Employees Stock Option Plan 2018 is summarized below:</b>		
<b>S . No.</b>	<b>Particulars</b>	<b>Details</b>
	Date of shareholders' approval	12.12.2018
	Total number of options approved	The members of the Company in their extra ordinary general meeting held on December 12, 2018 have approved the issue of 85,00,000 equity shares of Re. 1/- each (face value) to Vikas Gran Employee Welfare Trust under Vikas Gran Employees Stock Option Plan 2018
	Vesting requirements	1 Year
	Exercise price or pricing formula	1.00
	Maximum term of options granted	5 Years from the Grant Date
	Source of shares (primary, secondary or combination)	Primary
	Variation in terms of options	Not Applicable
	<b>Method used to account for ESOP Plan 2018 - Intrinsic or fair value:</b>	
	The compensation cost of stock options granted to employees is calculated based on Fair value method.	
	Where the company opts for expensing of the options using the intrinsic value of the options, Difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed: <b>Not Applicable</b>	
	<b>Movement of options during the financial year 2018-19 are as follows:</b>	
	<b>Particulars</b>	<b>Details</b>
	Number of options outstanding at the beginning of the period	NIL

	Number of options granted during the year	85,00,000			
	Number of options forfeited/lapsed during the year	Nil			
	Number of options vested during the year	Nil			
	Number of options exercised during the Year	Nil			
	Number of shares arising as a result of exercise of options	Nil			
	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Nil			
	Loan repaid by the Trust during the year from exercise price received	Nil			
	Number of options outstanding at the end of the year (including number of options exercisable at the end of the year)	8500000			
	Number of options exercisable at the end of the year	Nil			
	Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	Nil			
<b>Employee wise details of options granted during the financial year 2018-19 under ESOP Plan 2018:</b>					
S No.	Particulars	Name of Employee	Designation	Number of options granted during the year	Exercise Price
	Senior Managerial Personnel	The option has been granted Vikas Gran Employee Welfare Trust			
	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year				
	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant				
<b>Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:</b>					
Sr. No.	Particulars	Details			
	%age of Vesting	100%			

Stock Price (in Rs.)	9.07
Volatility (in %)	52.40
Risk free rate of Return (in %)	6.64
Exercise Price (in Rs.)	1.00
Time to maturity(in years)	1.50
Dividend Yield (in %)	0.00
Fair Value of options (In Rs.)	8.16
Model used	Black - Scholes Option Pricing Formula
Method used and the assumptions made to incorporate the effects of expected early exercise	Black - Scholes Option Pricing Formula
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility is estimated from the actual movement in share prices of the Company over one year preceding the grant date. This historical volatility is the annualized standard deviation of the continuously compounded rates of daily stock returns.
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	As per the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Black – Scholes Option Pricing Formula has been adopted.
<b>Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such option</b>	Not Applicable

**B. Details related to ESPS - Not Applicable**

**C. Details related to SAR - Not Applicable**

**D. Details related to GEBS/RBS - Not Applicable**

**E. Details related to Trust - Vikas Gran Employee Welfare Trust was registered on 01st February 2019.**

**DISCLOSURE ACCORDING TO CHAPTER IV THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014**

<b>S. No.</b>	<b>Description</b>	<b>Remarks</b>
	options granted;	85,00,000
	options vested;	Nil
	options exercised;	Nil
	the total number of shares arising as a result of exercise of option;	Nil
	options lapsed;	Nil
	the exercise price;	Re. 1/-
	variation of terms of options;	Nil
	money realized by exercise of options;	Nil
	total number of options in force;	85,00,000
	employee wise details of options granted to:-	
	(i) key managerial personnel;	The option has been granted Vikas Gran Employee Welfare Trust
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	



## **CERTIFICATE OF AUDITOR FOR ESOP**

### **To whomsoever it may concern**

We have examined the books of accounts and related records of Vikas Proppant and Granite Limited, in connection with the compliance with the Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 for Vikas Gran Employees Stock Option Plan, 2018.

Based on our examination of the books and records and based on the information and explanations given to us, we certify that Vikas Gran Employees Stock Option Plan, 2018 of Vikas Proppant & Granite Limited is in accordance with the Securities & Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the special resolution passed by the members at their Extra Ordinary General Meeting held on December 12, 2018.

**For M/s Yogesh Mahipal & Associates**  
**Chartered Accountants**  
**Firm Registration No.:** 030845N

**Sd/-**  
**CA Yogesh Mahipal**  
**Proprietor**  
**Membership No.:** 530620

**Place :** Sri Ganganagar  
**Date :** 14/08/2019

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENT**

**Vikas Proppant & Granite Limited**, a Company with public interest, was incorporated in 1995. The Company has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. The Company is committed to provide its customers overall services and values at its best. It has contributed significantly to our national output, employment and exports.

**COMPANY OUTLOOK OPPORTUNITIES AND THREAT**

**OPPORTUNITIES**

**Competitive Advantages**

India is one of the largest producers and exporters of granite in the world. The country has one of the largest reserves of granite in the world with deposits available in abundance in Rajasthan, Haryana, Tamil Nadu, Andhra Pradesh, Karnataka and Odisha.

**Geographical, Economical and Industrial Advantages**

In India, Rajasthan, is the main producing regions, specially Jodhpur (Rajasthan) is the major place where lot of granite blocks are available. The Company is situated in the area where it has geographical, economical and industrial advantages.

**THREATS**

**Price Stabilization**

Price stabilization is one of the major challenges for the industry. Price fluctuation has created uncertainty. Such uncertainty may compel users to look for alternatives.

**PERFORMANCE EVALUATION**

During the year under review your company has changed its business activity into mining of of sector and the revenue of the Company has increased significantly in Financial Year 2018-19.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company is having adequate internal control systems and procedures which commensurate with the size of the Company. All the departments of the Company are following the established rules and regulations for internal control systems. Company established an Internal Control Audit Department which ensures that the internal control systems are properly followed by all the concerned departments of the Company.

**HUMAN RESOURCES/INDUSTRIAL RELATIONS**

Beyond Balance Sheet, Company's singly biggest asset is its Human Resource. The Company is of firm belief that the human resources are the driving force towards progress and success. The Company continued its policy of attracting and recruiting best available talents so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate its professionals so that they can infuse their best efforts. The industrial relation continues to be cordial during the year.

Though the statement and views expressed in the above said report are on the basis of certain assumptions and expectations of future events, but actual results may differ from whatever is stated in the report.

## **INDEPENDENT AUDITOR'S REPORT**

To The Members of Vikas Proppant & Granite Limited

Report on the Audit of the Standalone Financial Statements

### **Opinion**

We have audited the accompanying standalone financial statements of **Vikas Proppant & Granite Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Key Audit Matter**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[iv] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of

users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M/s Yogesh Mahipal & Associates  
Chartered Accountants**

**Firm Registration No.:**030845N

**CA Yogesh Mahipal**

**Proprietor**

**Membership No.:** 530620

**Place:** Sri Ganganagar

**Date:** 22 May 2019

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- iii. As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- iv. Based on information and explanation given to us, the Company has not granted any loans or made any investments in or provided any guarantees or security, to parties covered under section 185 and section 186 of the Act.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any outstanding unclaimed deposits as at March 31, 2019 and therefore, reporting under clause (v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employee's state insurance, income tax, Goods & Services tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues, as applicable to it, however, there have been slight delay in few cases.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, Goods & Services tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues, as applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	TDS	36,719.00	F.Y. 2016-17	Between Apr-Mar 2017	Not paid
		99,213.00	F.Y. 2017-18	Between Apr-Mar 2018	Not paid
		1,44,797.00	F.Y. 2018-19	Between Apr-Sep 2018	Not paid
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident fund	38,749.00	F.Y. 2017-18	Between Apr-Mar 2018	Not paid
		12,300.00	F.Y. 2018-19	Between Apr-Sep 2018	Not paid

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or issued any debentures. Hence, reporting under clause (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has made the preferential allotment of equity shares to promoters and non promoters and the company is in with compliance with the all the applicable provisions of the Companies Act 2013 as well as SEBI (ICDR) Regulation 2009 & SEBI (LODR) 2015.
- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M/s Yogesh Mahipal & Associates**

**Chartered Accountants**

**Firm Registration No.:030845N**

**CA Yogesh Mahipal**

**Proprietor**

**Membership No.: 530620**

**Place: Sri Ganganagar**

**Date: 22 May 2019**



## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date) Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Vikas Proppant & Granite Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone Ind AS 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based

on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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



**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting 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 M/s Yogesh Mahipal & Associates**

**Chartered Accountants**

**Firm Registration No.:030845N**

**CA Yogesh Mahipal**

**Proprietor**

**Membership No.: 530620**

**Place:** Sri Ganganagar

**Date:** 22 May 2019

**Balance Sheet as at March 31, 2019**

INR in Lacs

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	16,373.24	8,026.05
Capital work-in-progress	3	4,795.08	4,793.10
Financial assets	4		
Investments		0.33	0.33
Other non-current tax assets (net)		7.12	5.76
Other non-current assets	5	488.77	488.77
<b>Total Non-current assets</b>		<b>21,664.55</b>	<b>13,314.00</b>
<b>Current assets</b>			
Inventories	6	-	-
Financial assets	7		
Trade receivables		17,554.49	16,721.73
Cash and cash equivalents		4.14	3.09
Other current assets	8	1,448.86	804.76
Assets held for sale	8	283.15	569.34
<b>Total current assets</b>		<b>19,290.64</b>	<b>18,098.92</b>
<b>TOTAL ASSETS</b>		<b>40,955.19</b>	<b>31,412.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9	5,061.75	1,811.75
Other equity	10	14,716.68	5,383.30
<b>Total equity</b>		<b>19,778.43</b>	<b>7,195.05</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	11	108.16	486.77
<b>Total non-current liabilities</b>		<b>108.16</b>	<b>486.77</b>
<b>Current liabilities</b>			
Financial liabilities	12		
Borrowings		6,419.49	10,651.45
Trade payables		13,057.83	13,058.38
Other financial liabilities		476.02	19.91
Other current liabilities	13	1,115.25	1.37
<b>Total current liabilities</b>		<b>21,068.59</b>	<b>23,731.11</b>
<b>Total liabilities</b>		<b>21,176.75</b>	<b>24,217.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>40,955.18</b>	<b>31,412.93</b>
		(0.01)	(0.00)

**Significant accounting policies**

The accompanying notes are an integral part of the financial statements

As per our report of even date.

**For Yogesh Mahipal & Associates**

**For and on behalf of the Board of Directors of  
Vikas Proppant & Granite Limited**

Chartered Accountants  
Firm Registration No. 030845N

**Yogesh Mahipal**  
Proprietor  
M.No. : 530620

**Bimla Devi Jindal**  
Managing Director

**B.D. Aggarwal**  
Director

Place: Sriganaganagar  
Date: May 22, 2019

**Praveen Bishnoi**  
Company Secretary

**Lokesh Garg**  
Chief Financial Officer

**Statement of profit and loss for the year ended March 31, 2019**

INR in Lacs

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Income</b>			
Revenue from operations	14	5,277.21	-
Other income	15	-	4.15
<b>Total (I)</b>		<b>5,277.21</b>	<b>4.15</b>
<b>EXPENDITURE</b>			
Cost of materials consumed	16	-	-
Decrease in stock of finished goods	17	-	-
Employee benefits expenses	18	76.48	17.93
Finance cost	19	0.06	0.40
Depreciation expense			507.68
Other expenses	20	42.71	30.33
<b>Total (II)</b>		<b>119.25</b>	<b>556.36</b>
<b>Profit/(loss) before tax</b>		<b>5,157.96</b>	<b>(552.19)</b>
<b>Tax expense</b>			
- current tax		1,111.54	-
- MAT credit entilment		(785.86)	-
- deferred tax		407.25	(446.75)
<b>Total Tax expense</b>		<b>732.93</b>	<b>(446.75)</b>
<b>Profit/(loss) for the year</b>		<b>4,425.03</b>	<b>(105.44)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>4,425.03</b>	<b>(105.44)</b>
<b>Profit/(loss) per share (basic and diluted) - Rs.</b>	21	<b>1.67</b>	<b>(0.58)</b>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

**For Yogesh Mahipal & Associates**

**For and on behalf of the Board of Directors of  
Vikas Proppant & Granite Limited**

Chartered Accountants  
Firm Registration No. 030845N

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Director

Place: Sriganaganagar  
Date: May 22, 2019

**Praveen Bishnoi**  
Company Secretary

**Lokesh Garg**  
Chief Financial Officer

**Cash flow statement for the year ended March 31, 2019**

Particulars	INR in Lacs	
	As at March 31, 2019	As at March 31, 2018
Non-cash adjustment to reconcile loss before tax to net cash flows		
Depreciation	-	507.68
Interest expenses	0.06	0.40
Gain on sale of fixed assets	-	4.25
Interest income		
Operating profit before working capital changes	5,158.02	(39.86)
Movements in working capital		
In trade payables	(0.56)	856.91
In short term provisions	456.12	(4.21)
In other current liabilities	2.33	(199.39)
In other non current liabilities	(1.36)	
In trade receivables	(832.77)	(157.16)
In inventories	-	-
In short term loans and advances	(644.09)	(1,286.98)
In Assets held for sale	286.18	127.87
Cash generated from / (used in) operations	4,423.87	(702.82)
Direct taxes paid (net of refunds)	-	(4.78)
<b>Net cash flow from / (used in) operating activities (A)</b>	4,423.87	(707.60)
<b>Cash flows from investing activities</b>		
Proceeds from sale of fixed assets	-	498.06
Purchase of fixed assets, CWIP and capital advance	(8,349.16)	-
<b>Net cash flow from investing activities (B)</b>	(8,349.16)	498.06
<b>Cash flows from financing activities</b>		
Proceeds/(repayment) from long term borrowings	(4,231.96)	21.95
Proceeds from issue of equity share capital	3250.00	
Proceeds from other equity	4908.35	
Interest paid	0.06	0.40)
<b>Net cash flow from / (used in) in financing activities (C)</b>	,926.33	21.55
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1.04	(187.99)
Cash and cash equivalents at the beginning of the year	3.09	191.08
<b>Cash and cash equivalents at the end of the year</b>	4.13	3.09
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.21	0.08
With banks on current account	3.92	
-on deposit account		3.01
<b>Total cash and cash equivalents</b>	4.13	3.09

As per our report of even date.

**For Yogesh Mahipal & Associates**

**For and on behalf of the Board of Directors of  
Vikas Proppant & Granite Limited**

Chartered Accountants  
Firm Registration No. 030845N

**Yogesh Mahipal**  
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**Bimla Devi Jindal**  
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Director

Place: Sriganaganagar  
Date: May 22, 2019

**Praveen Bishnoi**  
Company Secretary

**Lokesh Garg**  
Chief Financial Officer

## **NOTE NO. 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS**

### **I) CORPORATE INFORMATION**

Vikas Proppant & Granite Limited was incorporated in the year 1994. The shares of the Company were listed on Bombay Stock Exchange Limited (“the stock exchange”) and other stock exchanges in India in 1996. The Company is an agro based industry manufacturer and grading of Guar Gum Powder and grading of guar splits and its derivatives. Now the Company has diversified its business into the mining of Granite Blocks and manufacturing of Proppants.

The Company is having Registered Office in Siwani, Hisar.

### **II) SIGNIFICANT ACCOUNTING POLICIES**

#### **a. BASIS OF PREPARATION:**

The financial statements have been prepared in accordance with Indian Accounting Standards (hereafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the “Act”) read with Companies (Indian Accounting Standards (Ind AS)) Rules, 2015 and other relevant provisions of the Act.

These financial statements are for the year ended 31st March 2019 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2018, the company had prepared its financial statement in accordance with accounting standard notified under the Companies (Accounting Standard) Rule 2006 (as amended) and other relevant provision of the Act (hereinafter referred to as the ‘Previous GAAP’) used for the statutory reporting requirement of India.

The financial statements have been prepared on accrual and going concern basis.

The accounting policies are applied consistently to all period presented in the financial statements, including the preparation of the opening Ind AS balance sheet as at 1st April 2016 being the date of transition to Ind AS. The financial statements up to year ended 31 March 2018 were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

#### **b. USE OF ESTIMATES**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of financial statements and the results of operation during the reported period.

Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

#### **c. OPERATING CYCLE FOR CURRENT AND NON-CURRENT CLASSIFICATION**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for classification of its assets and liabilities as current and non-current.

#### **d. PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

#### e. DEPRECIATION/AMORTISATION ON FIXED ASSETS

Depreciation on Fixed Assets is provided on straight-line method in accordance with life of assets specified in Part C of Schedule II to the Companies Act, 2013 as per details given below:

<b>Sl.No.</b>	<b>Nature of Assets</b>	<b>Estimated useful life in years</b>
1	Buildings	15
2	Plant & machinery and Motor Vehicles	10
3	Office Equipments	5
4	Furniture & fixtures	10

#### AMORTISATION

Expenses incurred on Computer Software are amortized on straight line basis over a period of three years.

#### ASSETS ACQUIRED IN SATISFACTION OF CLAIMS

Assets acquired in satisfaction of claim has been accounted at fair value of the assets acquired and is marked down by a subsequent reduction in the Net Realisable Value, if any.

#### f. IMPAIRMENT OF NON-FINANCIAL ASSETS

Non- financial assets other than inventories and non-current assets held for sale are reviewed at each balance sheet date to determine whether there is any indication. If any such indication exists or when annual impairment testing for an asset required, the company estimates the asset's recoverable amount. The recoverable amount is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flow that is largely independent of those from other assets or group of assets.

When the carrying amount of an assets or CGU exceeds its recoverable amount, the assets is considered impaired and is written down to its recoverable amount.

#### g. STOCK IN TRADE / SECURITIES FOR SALE

Stock in trade is valued at weighted average cost or net realisable value whichever is lower.

#### h. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, balances in current accounts with scheduled banks and bank deposits.

#### i. REVENUE RECOGNITION

Revenue in respect of sale of goods is recognized when risk and reward of ownership are transferred. The sale are accounted net of goods and service tax. Further goods returned or rejected are accounted in the year of return/rejection.

#### j. TAXES ON INCOME

Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the year.

Deferred tax is calculated at tax rates that have been enacted or substantively enacted at the Balance Sheet date and is recognized on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

#### k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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 statements.

#### l. FINANCIAL INSTRUMENTS

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

## **Financial Assets**

### Initial Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent Measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets and the contractual cash flow characteristic of the financial assets, the company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

### Financial Assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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 (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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 profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL

Debt instruments included within the FVTOCI category are measured at fair value with all changes recognized in profit and loss. However currently the company does not have any financial instrument in this category.

### Equity Investment

All equity investments in scope of Ind AS 109 are measured at fair value except unquoted equity investments which are stated at cost. Equity instruments which are held for trading are classified as at FVTPL. For other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument by instruments basis. The Classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, all fair value changes on the instrument, excluding dividends are recognized in other comprehensive income. There is no recycling of the amount from other comprehensive income to profit and loss even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

### De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at fair value.

- **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

- **De-recognition of Financial Liabilities**

Financial Liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

#### **Offsetting Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis; to realise the assets and settle the liabilities simultaneously.

#### **m. FAIR VALUE MEASUREMENT**

The Company measures financial assets and financial liability at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation Techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation and other relevant documents.



#### n. EARNING PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
Weighted average number of shares at the end of the year.	2,648.74	181.18
Profit for the year (Excluding OCI)	4,425.03	(105)
Basic and Diluted EPS	1.67	(0.58)

o. The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.

p. Comparative financial information (i.e. the amounts and other disclosures for the previous year presented above as corresponding figures), is included as an integral part of the current year's Financial Statements and is to be read in relation to the amounts and other disclosures relating to the current year. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

#### q. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

##### Financial Risk Factors

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

##### Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### Interest Rate Risk

The Company has financial assets which are at fixed interest rates and is therefore not exposed to the risks associated with the effects of fluctuation in interest rates.

##### Foreign Exchange Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the company does not deal in forex transaction, there is not foreign risk.

##### Credit Risk

Credit Risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. There is no risk in terms of Bank Balances, since the counterparty is a reputable bank with high quality external credit ratings.

##### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

#### r. First-time adoption of Ind AS

The Company has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly, the impact of transition has been provided in the Opening Reserves as at 1 April 2016 and all the periods presented have been restated accordingly

##### A. Exemptions availed on first time adoption of Ind AS 101

On first time adoption of Ind AS Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

a) Under Ind AS 109 at initial recognition of a financial asset an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly the Company has

designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

b) Fair value measurement of financial assets or liabilities at initial recognition: The Company has not applied the provision of Ind AS 109 Financial Instruments upon the initial recognition of the financial instruments where there is no active market.

c) Designation of previously recognised financial instruments: The Company does not have any financial assets or liabilities as of the transition dates which were required to be designated and which met the required criteria given in Ind AS 101 as a financial asset or financial liability at FVPL

## **B. Exceptions**

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements:

### a) Estimates

The estimates as at 1 April 2016 and 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

- Impairment of financial assets based on the expected credit loss model;
- and Investments in equity instruments carried as FVPL or FVOCI.
- The estimates used by the Company to present

The amounts in accordance with the Ind AS reflect conditions that existed at the date on transition to Ind AS.

### b) Derecognition of financial assets

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

### c) Classification and movement of financial assets and liabilities

The Company has classified the financial assets and liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that existed at the date on transition to Ind AS.

**Statement of changes in equity for the year ended March 31, 2019**

**I) Equity share capital**

(INR in Lacs)

	<b>Amounts</b>
Balance as at April 1, 2017	1,811.75
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2018</b>	<b>1,811.75</b>
Changes in equity share capital during the year	<b>3250.00</b>
<b>Balance as at March 31, 2019</b>	<b>5061.75</b>

**II) Other equity**

For the year ended March 31, 2019

(INR in Lacs)

Particulars	Reserves				Total equity
	Retained earnings	Capital reserves	Securities premium reserve	General reserve	
<b>As at April 1, 2018</b>	<b>4,045.01</b>	<b>1.80</b>	<b>1,336.50</b>	<b>-</b>	<b>5,383.31</b>
Profit for the year	4,425.03	-	4,875.00	33.35	9,333.38
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>8,470.04</b>	<b>1.80</b>	<b>6,211.50</b>	<b>33.35</b>	<b>14,716.68</b>
<b>As at March 31, 2019</b>	<b>8,470.04</b>	<b>1.80</b>	<b>6,211.50</b>	<b>33.35</b>	<b>14,716.68</b>

For the year ended March 31, 2018

INR in Lacs

Particulars	Reserves				Total equity
	Retained earnings	Capital reserves	Securities premium account	General reserve	
<b>As at April 1, 2017</b>	<b>4,150.45</b>	<b>1.80</b>	<b>1,336.50</b>	<b>-</b>	<b>5,488.75</b>
Loss for the year	(105.44)	-	-	-	(105.44)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>(105.44)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(105.44)</b>
<b>As at March 31, 2018</b>	<b>4,045.01</b>	<b>1.80</b>	<b>1,336.50</b>	<b>-</b>	<b>5,383.31</b>

Notes to the financial statements for the year ended March 31, 2019

3(a) Tangible assets

Particulars	INR in Lacs				
	Leasehold land	Buildings	Plant and equipment	Office equipment	Total
<b>Gross Block</b>					
<b>Original Cost as at April 1, 2017</b>	469.98	6.76	9,234.22	0.35	9,711.31
Additions during the year	-	-	-	-	-
Sales/Adjustments*	24.29	-	-	-	24.29
<b>Original Cost as at March 31, 2017</b>	<b>445.69</b>	<b>6.76</b>	<b>9,234.22</b>	<b>0.35</b>	<b>9,687.02</b>
<b>Accumulated Depreciation</b>					
<b>As at April 1, 2017</b>	-	6.76	1,146.17	0.35	1,153.28
Charge for the year	-	-	507.68	-	507.68
Sales/Adjustments	-	-	-	-	-
<b>As at March 31, 2018</b>	-	<b>6.76</b>	<b>1,653.85</b>	<b>0.35</b>	<b>1,660.96</b>
<b>Net Block</b>					
<b>As at March 31, 2018</b>	<b>445.69</b>	-	<b>7,580.37</b>	-	<b>8,026.06</b>
<b>Gross Block</b>					
<b>Original Cost as at April 1, 2018</b>	<b>445.69</b>	<b>6.76</b>	<b>9,234.22</b>	<b>0.35</b>	<b>9,687.02</b>
Additions during the year	8,125.00	-	222.18	-	8,347.18
Sales/Adjustments**	-	-	-	-	-
<b>Original Cost as at March 31, 2019</b>	<b>8,570.69</b>	<b>6.76</b>	<b>9,456.40</b>	<b>0.35</b>	<b>18,034.20</b>
<b>Accumulated Depreciation</b>					
<b>As at April 1, 2018</b>	-	6.76	1,653.85	0.35	1,660.96
Charge for the year	-	-	-	-	-
Sales/Adjustments	-	-	-	-	-
<b>As at March 31, 2019</b>	-	<b>6.76</b>	<b>1,653.85</b>	<b>0.35</b>	<b>1,660.96</b>
<b>Net Block</b>					
<b>As at March 31, 2019</b>	<b>8,570.69</b>	-	<b>7,802.55</b>	-	<b>16,373.24</b>

(i) \*Classified as assets held for sale

(ii) \*\*Refund received against cancellation of land allotted earlier adjusted from cost of land.

3(b) Capital work-in-progress

	As at March 31, 2019	As at March 31, 2018
Capital work in progress	4,795.08	4,793.10
	<b>4,795.08</b>	<b>4,793.10</b>

**Notes to the financial statements for the year ended March 31, 2019**

<b>4 Financial assets</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Investments</b>		
Other financial assets (national saving certificate)	0.33	0.33
	0.33	0.33
<b>5 Other non-current assets</b>		
Capital advances	488.77	488.77
<b>Total other non-current assets</b>	<b>488.77</b>	<b>488.77</b>
<b>6 Inventories</b>		
<i>(At lower of cost and NRV)</i>		
Raw materials	-	-
Finished goods:	-	-
<b>Total inventories</b>	<b>-</b>	<b>-</b>
<b>7 Financial assets</b>		
<b>Current assets</b>		
<b>i) Trade and other receivables#</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Debts recoverable	17,554.49	16,721.73
	17,554.49	16,721.73
# includes dues from related parties (refer note 27)		
<b>ii) Cash and cash equivalent</b>		
<b>Balances with banks</b>		
In current accounts	3.92	3.01
Cash in hand	0.21	0.08
	4.14	3.09
<b>8 Other current assets</b>		
Assets held for sale	283.15	569.34
<b>Unsecured, considered good</b>		
Security deposit	29.26	-
<b>Advances other than capital advances:</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Advance to suppliers^		
Claim receivable (refer note 37)		
Advance recoverable in cash or kind	15.61	-
Advance tax and tax deducted at source	7.12	5.76
Indirect tax credits	-	0.67
Advances to suppliers	1,403.98	804.09

	INR in Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>9 Equity share capital</b>		
<b>Authorised Share Capital</b> 60,00,00,000 (previous year 60,00,00,000) equity shares of Rs. 10 each	6,000.00	6,000.00
	<u>6,000.00</u>	<u>6,000.00</u>
<b>Issued, subscribed and Paid up capital</b> 50,61,75,000 (previous year 18,11,75,000) equity shares	5,061.75	1,811.75
	<u>5,061.75</u>	<u>1,811.75</u>

**(i) Movements in equity share capital**

	Number of shares (in lakhs)	Equity share capital (par value)
As at April 1, 2017	181.175	1,811.75
Add: Issued during the year	-	-
<b>Balance as at March 31, 2018</b>	<u>181.175</u>	<u>1,811.75</u>
As at April 1, 2018	1,811.75	1,811.75
Add: Preferential issue of equity shares during the year (Refer Footnote (iii) below)	3,250.00	3,250.00
<b>Balance as at March 31, 2019</b>	<u>5,061.75</u>	<u>5,061.75</u>

**(ii) Terms/Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii)** The Company has subdivided face value of equity share from Rs. 10/- each to Re. 1/- each by way of Special Resolution in its Extra Ordinary General Meeting held on 24th March, 2018. The Bombay Stock Exchange has approved the sub-division of share capital w.e.f. 22nd June 2018.

**(iv)** The members of the Company in their extra ordinary general meeting held on 12th December, 2018 have approved the issue of 21,15,00,000 equity shares having face value of Re. 1/- each to qualified investors (other than promoters) and 11,35,00,000 equity shares having face value of Re. 1/- each to promoters. The Company has allotted these equity shares on 28th December 2018. In this regard, the Company has got the listing approval from Bombay Stock Exchange on 22nd January 2019.

**(v) Details of shareholders holding more than 5% shares in the Company #**

	March 31, 2019		March 31, 2018	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Bajrang Dass Agarwal	10,300	0.0020%	11,51,228	6.35%
Amit Babbar	1,90,000	0.0375%	10,65,598	5.88%
Girish Kansal	-	-	22,00,000	12.14%
Sarbati Devi	-	-	21,00,000	11.59%
Nir Singh Sandhu	-	-	19,00,000	10.49%
Puneet	-	-	22,00,000	2.14%
Bimla Devi Jindal	10,00,00,000	19.76%	-	-
Kanta Devi	10,50,00,000	20.74%	-	-
Komal	10,65,00,000	21.04%	-	-

# As per the records of the Company, including register of members

(vi) The Company has not issued/allotted any class of shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares during the period of five year immediately preceding the reporting date. Further, no shares of any class were bought back during the period of five year immediately preceding the reporting date.

**(vii) Employee Stock Options**

During the year under review, Company has passed a Special Resolution in its Extra Ordinary General Meeting held on 12th December, 2018 for approval of issuance of 85,00,000 Equity Shares having face value of Re. 1/- each to “Vikas Gran Employee Welfare Trust” under “Vikas Gran Employees Stock Option Plan 2018 (ESOP 2018)”. In this regard, the Company has got the In-principle approval from Bombay Stock Exchange on 20th February 2019. Further Company has also granted the options to “Vikas Gran Employee Welfare Trust” on 11th March 2019.”

10 Other equity	INR in Lacs			
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>i) Retained earnings</b>				
Balance as at the beginning of the year	4,045	4,150.45	5,534.97	6,435.87
(Loss)/profit for the year	4,425.03	(105.44)	(1,384.52)	(900.90)
<b>Balance as at the end of the year</b>	<b>8,470.03</b>	<b>4,045.00</b>	<b>4,150.45</b>	<b>5,534.97</b>
<b>ii) Reserves</b>				
Other reserves				
Capital reserve	1.80	1.80	1.80	1.80
Securities premium reserve	6,211.50	1,336.50	1,336.50	1,336.50
General reserve	33.35			
<b>Other reserves</b>	<b>6,246.65</b>	<b>1,338.30</b>	<b>1,338.30</b>	<b>1,338.30</b>
<b>Total reserves and surplus</b>	<b>14,716.68</b>	<b>5,383.30</b>	<b>5,488.75</b>	<b>6,873.27</b>

- a) Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- b) Capital Reserve: this Reserve represents grants of capital nature.
- c) Securities Premium Account: this Reserve represents the premium on issue of shares and can be utilized in accordance with the provision of the Companies Act, 2013.

**Notes of the financial statements for the year ended March 31, 2019**

<b>11 Deferred tax liabilities</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Deferred tax liabilities arising on account of</b>		
Difference in written down value of property, plant & equipment	1,134.94	727.69
Minimum alternate tax credit receivable	(1,026.78)	(240.92)
	<b>108.16</b>	<b>486.77</b>

**11(a)** Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which carried forward tax losses can be utilised. The cumulative unabsorbed business losses amount to Rs. Nil (March 31, 2018: Rs. 1,06,34,872) and cumulative unabsorbed depreciation of Rs. Nil (March 31, 2018 Rs. 25,56,61,734 on which no deferred tax asset has been recognised in accordance with accounting principles laid under Ind AS for recognition of deferred tax assets. Further, these losses are available to offset for maximum period of eight years from the date of incurrence of loss.

<b>11(b) Movement in deferred tax balances</b>	<b>Recognised in profit and loss</b>	<b>Closing as at March 31, 2019</b>
<b>Deferred tax liabilities</b>		
Difference in written down value of property, plant & equipment	407.25	1,134.94
	<b>407.25</b>	<b>1,134.94</b>

<b>Movement in deferred tax balances</b>	<b>Recognised in profit and loss</b>	<b>Closing as at March 31, 2018</b>
<b>Deferred tax liabilities</b>		
Difference in written down value of property, plant & equipment	(446.75)	727.69
	<b>(446.75)</b>	<b>727.69</b>

**12 Financial liabilities - short term\*\***

**i) Short-term borrowings**

Unsecured loans		
From directors (interest free)	6,404.49	10,626.45
From others (interest free)	15.00	25.00
	<b>6,419.49</b>	<b>10,651.45</b>

**ii) Trade and other payables**

-To micro, small and medium enterprises		
-To others	13,057.83	13,058.38
	<b>13,057.83</b>	<b>13,058.38</b>

**iii) Other Financial Liabilities**

-Salary and bonus payable	15.01	12.98
-Other payables	461.03	6.93
	<b>476.02</b>	<b>19.91</b>

**\*\*includes dues to related parties (refer note 26)**

**13 Other current liabilities**

Advances from customers	-	-
Statutory dues (including interest thereon)	1,115.26	1.37
	<b>1,115.26</b>	<b>1.37</b>



**Notes of the financial statements for the year ended March 31, 2019**

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>14. Revenue from operations</b>		
<b>Sale of goods (gross)</b>		
- Guar gum	-	-
- Operative income	5,277.21	-
	<u>5,277.21</u>	-
<b>15. Other income</b>		
Other income	-	4.15
	<u>-</u>	<u>4.15</u>
<b>16. Cost of material consumed</b>		
Inventory at the beginning of the year	-	-
Add: Purchases	-	-
Less: Inventory at the end of the year		-
	<u>-</u>	<u>-</u>
<b>17. Decrease in stock of finished goods</b>		
Inventory at the end of the year	-	-
Less : Inventory at the beginning of the year	-	-
	<u>-</u>	<u>-</u>
<b>18. Employee benefits expenses</b>		
Salaries, wages and allowances	76.35	17.62
Contribution to provident and other funds	0.13	0.31
	<u>76.48</u>	<u>17.93</u>
<b>19. Finance cost</b>		
Interest	-	0.12
Bank charges	0.06	0.29
	<u>0.06</u>	<u>0.40</u>
<b>20. Other expenses</b>		
Freight		0.02
Loss on sale of fixed assets		4.25
Power, fuel and water	0.33	0.09
Repair and maintenance		0.39
Advertisement expenses	5.96	5.12
Lease rent	17.15	-
Legal and professional charges	6.38	7.40
Office expenses	1.87	5.31
Rates and taxes	1.17	2.88
Telephone, postage and stationery		2.10
Travelling expenses		0.11
Miscellaneous expenses	9.86	2.65
	<u>42.71</u>	<u>30.33</u>

20 (a) Payment to auditor includes

As auditor\*:

Audit fee	1.00	1.50
Limited review	0.25	0.25
Tax audit	0.25	0.24
* exclusive of GST	<b>1.50</b>	<b>1.99</b>

	For the year ended March 31, 2019	For the year ended March 31, 2018
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**21. Loss per share (EPS)**

Loss attributable to equity shareholders (for basic and diluted earning)	4,425.03	(105)
Weighted average number of equity shares for basic and diluted earnings per share (face value of Re. 1 each (previous year Re 10))	2,648.74	181.18
Basic and diluted (Rs.)	1.67	(0.58)

**22. Segment information**

The Company is engaged in the business of manufacturing of guar gum and its derivatives which as per Ind AS 108, Operating Segments is considered to be the only reportable business segment.

**23. Detail of dues to micro and small enterprises defined under the MSMED Act 2006**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

**24. Capital commitments and contingent liabilities**

- a) Estimated amount of contracts remaining to be executed on capital account is Rs. Nil (previous year Rs. 98.56 lacs) |  
b) There are no contingent liabilities.

**25. Corporate social responsibility**

During the year the company has organised seed distribution programme, in which guar seed for Rs Nil (Previous year Rs. Nil) was distributed free of cost to farmers for promotion of guar cultivation as Corporate Social responsibility prescribed under section 135 of the Companies Act, 2013.

**26. Related party disclosure**

**a. Transactions with related parties are summarised below :**

Related party and nature of related party with whom transactions have taken place during the year

1) Key management personnel and their relatives (KMP)

- Mrs. Bimla Devi Jindal - Managing Director
- Ms. Kamini Jindal - Director
- Mr. B D Agarwal - Director
- Mr. Praveen Bishnoi - Company Secretary
- Mr. Lokesh Garg - Chief Finance Officer

- 2) Entities controlled by KMPs  
 Vikas WSP Limited  
 Vikas Dall and General Mills (Partnership firm)  
 Vikas Chemi Gums India Limited  
 Vegan Colloids Limited  
 Mansrovar Industrial Development Corporation (Partnership firm)

INR in Lacs

Nature of transaction	Entities controlled by KMP	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>a) Sales</b>		
- Mr. B.D. Aggarwal	-	-
<b>b) Lease rent</b>		
- Mansrovar Industrial Development. Corp	17.15	-
<b>c) Salary</b>		
- Mr. Praveen Bishnoi	-	-
<b>d) Advance to suppliers</b>		
- Vikas Chemi Gums (India) Limited	980.00	-
<b>e) Preferential allotment of equity shares</b>		
- Mrs. Bimla Devi Jindal	-	-
- Mrs. Kamini Jindal	-	-
<b>f) Outstanding balances</b>		
<b>(i) Trade receivable</b>		
- Vikas Chemi Gums India Ltd	11,208.63	11,306.10
<b>(ii) Trade payable</b>		
- Vikas WSP Limited	10,690.86	10,681.76
- Vegan Colloids Limited	2,362.39	2,362.39
<b>(iii) Unsecured loan payable</b>		
- Mr. B.D. Agarwal	-	-
- Mrs. Bimla Devi Jindal	-	-
<b>(iv) Other payable</b>		
- Praveen Bishnoi	-	-
- Mansrovar Industrial Development Corp	15.44	-
- Vikas WSP Limited	415.00	-

	" For the year ended March 31, 2019 "	" For the year ended March 31, 2018 "
<b>27. Income tax (credit)/expense</b>		
Current tax		
- Current tax for the year	1,111.54	-
- Adjustments for current tax of prior periods		-
Total current tax expense	<b>1,111.5</b>	-
Deferred tax		
- (Decrease) /increase in deferred tax liabilities	(378.61)	(446.75)
Total deferred tax expense/(benefit)	<b>(378.61)</b>	<b>(446.75)</b>
	<b>732.93</b>	<b>(446.75)</b>
<b>27(a) Effective tax reconciliation</b>		
Profit/(Loss) before tax	<b>5,157.96</b>	<b>(552.19)</b>
Deferred tax credit in profit and loss as per effective tax rate	(121.11)	(142.19)
<b>i) Impact of reduction in corporate tax rate</b>	(124.24)	(146.60)
<b>ii) Impact of deferred tax earlier ye'a'rs</b>	(157.84)	(186.25)
<b>v) Deferred tax assets not recognised</b>	24.58	28.29
Expected tax after adjustments	<b>(378.61)</b>	<b>(446.75)</b>
As per statement of profit and loss		
Tax (credit)/charged to profit and loss		
Current tax	1,111.54	-
Deferred tax (credit)/charge	(378.61)	(446.75)
	<b>732.93</b>	<b>(446.75)</b>

## Notes of the financial statements for the year ended March 31, 2019

### 28. Fair values measurements

#### Financial instruments by category

INR in Lacs

Particulars	March 31, 2019		March 31, 2018		March 31, 2017		March 31, 2016	
	FVTPL	Amortised cost*	FVTPL	Amortised cost*	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial assets</b>								
Trade receivables		17,554.49	-	16,721.73		16,564.57	-	16,484.16
Cash and cash equivalents		4.14	-	3.09	-	191.08	-	5.04
Other financial assets (current)		1,448.86	-	804.76	-	649.96	-	273.16
<b>Total financial assets</b>		<b>19,007.48</b>	<b>-</b>	<b>17,529.58</b>	<b>-</b>	<b>17,405.60</b>	<b>-</b>	<b>16,762.35</b>
<b>Financial liabilities</b>								
Borrowings (current)		6,419.49	-	10,651.45	-	10,629.50	-	10,630.00
Trade payables		13,057.83	-	13,058.38	-	12,201.47	-	12,905.89
Other financial liabilities		476.02	-	19.91	-	24.11	-	9.92
<b>Total financial liabilities</b>		<b>19,953.34</b>	<b>-</b>	<b>23,729.74</b>	<b>-</b>	<b>22,855.09</b>	<b>-</b>	<b>23,545.81</b>

For instruments measured at amortised costs, carrying value represents best estimate of the fair value.

#### Derivative instruments and unhedged foreign currency exposure

The Company has no outstanding derivative instrument at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under –

	March 31, 2019		March 31, 2018		March 31, 2017	
	Foreign Currency (in lacs)	Amount in INR (in lacs)	Foreign Currency (in lacs)	Amount in INR (in lacs)	Foreign Currency (in lacs)	Amount in INR (in lacs)
<b>Trade receivables in foreign currency</b>						
Foreign currency (USD)	77.98	5,415.36	83.22	5,415.36	83.52	5,415.36
	<b>77.98</b>	<b>5,415.36</b>	<b>83.22</b>	<b>5,415.36</b>	<b>83.52</b>	<b>5,415.36</b>

#### Financial risk management objectives and policies

The Company's principal financial liabilities other than derivatives, comprises trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, inventories and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

## I. Market risk

### Foreign currency sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD with all other variables held constant.

	Change in USD rate	Effect on profit before tax Rs. in lacs
<b>For balance outstanding as at March 31, 2019</b>	5%	275.48
	-5%	275.48
<b>For balance outstanding as at March 31, 2018</b>	5%	270.77
	-5%	(270.77)

## II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

### A. Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the financial statements. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. Owing to the payment records of customers the Company does not foresee any credit risk.

### B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

#### March 31, 2019

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	17,554.49	-	17,554.49
Cash and cash equivalents	4.14	-	4.14
Other financial assets (current)	1,448.86	-	1,448.86

#### March 31, 2018

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	16,721.73	-	16,721.73
Cash and cash equivalents	3.09	-	3.09
Other financial assets (current)	804.76	-	804.76

March 31, 2017

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	16,564.57	-	16,564.57
Cash and cash equivalents	191.08	-	191.08
Other financial assets (current)	649.96	-	649.96

### III. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. All current the financial liabilities of the Company are current in nature as disclosed in the financial statements.

For Yogesh Mahipal & Associates

For and on behalf of the Board of Directors of  
Vikas Proppant & Granite Limited

Chartered Accountants  
Firm Registration No. 030845N

**Yogesh Mahipal**  
Proprietor  
M.No. : 530620

**Bimla Devi Jindal**  
Managing Director

**B.D. Aggarwal**  
Director

Place: Sriganaganagar  
Date: May 22, 2019

**Praveen Bishnoi**  
Company Secretary

**Lokesh Garg**  
Chief Financial Officer

## Vikas Proppant & Granite Limited

CIN: L14100HR1994PLC036433

Registered office: Hisar Road, Siwani, Haryana-127046.

Tel: 91(154) 2494512/2494552; Fax: 91(154) 2494361/2475376

Website: www.vpgl.in E-mail ID: office@vikasgranaries.in, cspraveenbishnoi@vpgl.in

### ATTENDANCE SLIP

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

Registered Folio No./DP ID No. / Client ID No.	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	
Number of Shares held:	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the **Vikas Proppant & Granite Limited** at **"Railway Road, Siwani, Haryana-127046"** on Saturday, 28<sup>th</sup> September 2019 at 11:00 A.M.

Please (√) in the box

Member

Proxy

\_\_\_\_\_  
Signature of member / proxy

**Note:**

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the AGM.



# Vikas Proppant & Granite Limited

CIN: L14100HR1994PLC036433

Registered office: Hisar Road, Siwani, Haryana-127046.

Tel: 91(154) 2494512/2494552; Fax: 91(154) 2494361/2475376

Website: www.vppl.in E-mail ID: office@vikasgranaries.in, cspraveenbishnoi@vppl.in

## Form No. MGT-11

### Proxy form

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

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

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

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company, to be held on the Saturday, 28<sup>th</sup> day of September 2019 at 11:00 A.M. at Railway Road, Siwani, Haryana-127046 and at any adjournment thereof in respect of such resolutions as are indicated below:

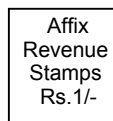
Sr. No.	Resolution(s)	Vote	
		For	Against
1.	To consider and adopt the standalone financial statements of the company for the financial year ended March 31, 2019 and the report of the board of directors and of the auditors thereon		
2.	To appoint a director in place of Mr. Bajarang Dass Aggarwal (DIN: 00036553), who retires by rotation and being eligible, offers herself for re-appointment		
3.	Approval For Related Party Transaction		
4.	Appointment of Mrs. Aashu Garg as a Non-Executive Independent Director		
5.	Re-appointment of Mr. Ravi Sharma as a Non-Executive Independent Director		
6.	Re-appointment of Mr. Neeraj Chhabra as a Non-Executive Independent Director		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder \_\_\_\_\_

(Signature of the shareholder across Revenue Stamp)



#### Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

## Form No. MGT- 12

### POLLING PAPER

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

Name of the Company: **Vikas Proppant & Granite Limited**

Registered Office: Hisar Road, Siwani, Haryana - 127046, India

CIN: L14100HR1994PLC036433

#### BALLOT PAPER

S No	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

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

No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	To consider and adopt the standalone financial statements of the company for the financial year ended March 31, 2019 and the report of the board of directors and of the auditors thereon			
2.	To appoint a director in place of Mr. Bajrang Dass Aggarwal (DIN: 00036553), who retires by rotation and being eligible, offers herself for re-appointment			
3.	Approval for Related Party Transactions			
4.	Appointment of Mrs. Aashu Garg as a Non-Executive Independent Director			
5.	Re-appointment of Mr. Ravi Sharma as a Non-Executive Independent Director			
6.	Re-appointment of Mr. Neeraj Chhabra as a Non-Executive Independent Director			

Place: Siwani

Signature of Shareholder

# ROUTE MAP

aps  
Railway Station Road  
Siwani

