INDUCTO STEEL LTD

September 29, 2018

To,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Sub.: Proceedings of the Thirtieth Annual General Meeting of Inducto Steel Limited*("the Company")* held on September 29, 2018 at 10.30 a.m. and Annual Report of the Company for the Financial Year 2017-18

Ref.: Regulation 30 read with Part A of Schedule III and Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")
Scrip Code:532001

Dear Sir,

The Thirtieth Annual General Meeting of the Company was held on Saturday, September 29, 2018 at 10:30 a.m. at registered office of the Company situated at 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021 ("said AGM").

The said meeting was concluded at 10.45 a.m.

In this regard, please find enclosed the following:

- Summary of the proceedings of the said AGM of the Company as required under Regulation 30 read with Part A of Schedule III of SEBI Listing Regulations - **Annexure - A**;
- Annual Report of the Company for the Financial Year 2017-18 -**Annexure - B**.

The above documents are also available on the website of the Company i.e. www.hariyanagroup.com.

The above is for your information and record.
Thanking You,

Yours faithfully,
For **Inducto Steel Limited**

A.H. Doshi

Arpita Doshi
Company Secretary

INDUCTO STEEL LIMITED

Registered Office: 156,Maker Chambers VI, 220, Jamnalal Bajaj Marg,
Nariman Point, Mumbai– 400 021.
Tel.- 022 - 22043211 Fax– 22043215 E-mail: contact@hariyanagroup.com
Web Site: www.hariyanagroup.com CIN NO.: L27100MH1988PLC194523

INDUCTO
STEEL LTD

Summary of proceedings of Thirtieth Annual General Meeting ("AGM")

The Thirtieth Annual General Meeting of the Company was held on Saturday, September 29, 2018 at 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021.

In terms of the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company had provided the E-voting facility to the Members whereby they could cast their votes from place other than the venue of the said AGM i.e. Remote E-voting. The facility for voting through ballot paper was made available at the venue of the AGM.

In terms of the applicable provisions of the Act and the Articles of Association of the Company, Mr. Rajeev Reniwal, Managing Director of the Company, chaired the meeting and the requisite quorum for the meeting was present.

The Company Secretary informed the Members that Mr. Dilip Bharadiya, Proprietor of M/s. Dilip Bharadiya & Associates, Company Secretaries, was appointed as the Scrutinizer to scrutinize the entire voting process.

With the consent of Members, the Notice of the Meeting was taken as read.

The Chairman made his opening remarks covering Macro Economic Outlook, Sector and the Company Performance, Company's financial performance during the Financial Year 2017-18, opportunities and sustainability.
The Chairman then invited the Members to express their views, ask questions and seek clarifications on the operations and financial performance of the Company and the resolutions were proposed. The Chairman alongwith the Managing Director of the Company responded to all the queries raised by the Members.

Thereafter, the following items forming part of the Notice for the said AGM, were considered and approved by the Members:

INDUCTO
STEEL LTD

Item No.	Resolution	Type of Resolution	Method of Voting
Ordinary Business:			
1	Adoption of the Audited Financial Statements (Standalone and Consolidated)of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon	Ordinary	Remote E-voting and ballot voting at the AGM
2	Re-appointment of Mrs. Sweety Reniwal (DIN: 00041853), who retires by rotation as a Director and being eligible, offers herself for re-appointment	Ordinary	
3a	Ratification of the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, at same terms and conditions.	Ordinary	
3b	Appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), as Joint Statutory Auditors of the Company	Ordinary	
Special Business			
4	Approval of the appointment of Mr. Rajeev Reniwal (DIN: 00034264) as the Managing Director of the Company	Special	Remote E-voting and ballot voting at the AGM
5	Re-appointment of Mr. Yogesh Thakkar (DIN: 00043588) as an Independent Director of the Company	Special	
6	Re-appointment of Mr. Bhushanlal Behl (DIN: 03023697) as an Independent Director	Special	
7	Advancing any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken	Special	
8	Approval of the appointment of Mr. Rajeev Reniwal (DIN: 00034264) as the Managing Director of the Company	Special	

Results of the voting will be intimated to you separately alongwith the report of the Scrutinizer.

Kindly take the above details on your record and acknowledge.

Thanking you,

Yours faithfully,
For **Inducto Steel Limited**

A.H. Doshi

Arpita Doshi
Company Secretary

Registered Office: 156,Maker Chambers VI, 220, Jamnalal Bajaj Marg,
Nariman Point, Mumbai– 400 021.
Tel.- 022 - 22043211 Fax– 22043215 E-mail: contact@hariyanagroup.com
Web Site: www.hariyanagroup.com CIN NO.: L27100MH1988PLC194523

GO GREEN TODAY

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is a natural resource as also result in substantial savings on printing and posting of Annual Reports and other documents of your Company sent to shareholders. Members are requested to support this green initiative by updating their email address with the respective Depository Participants in case of electronic shareholding or registering their email addresses with the Company's Registrar and Transfer Agents in case of physical shareholding. Join this cause and make the world a cleaner, greener and healthier place to live.

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Annual General Meeting

Date	:	September 29, 2018
Time	:	10.30 a.m.
Venue	:	156, Maker Chamber VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.

Company Details

INDUCTO STEELS LIMITED

(CIN: L27100MH1988PLC194523)
156, Maker Chambers VI,
220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Tel No: 022 22043211 | Fax: 22043215
E-Mail: contact@hariyanagroup.com | Web Site: - www.hariyanagroup.com

BOARD OF DIRECTORS

Mr. Rajeev Reniwal	(DIN:00034264)	Chairman & Managing Director
Mrs. Sweety Reniwal	(DIN: 00041853)	Non-Executive Director
Mr. Yogesh Thakkar	(DIN: 00043588)	Independent & Non-Executive Director
Mr. Bhushanlal Behl	(DIN: 03023697)	Independent & Non- Executive Director

KEY MANAGERIAL PERSON

Mr. Rajeev Reniwal	Managing Director
Ms. Arpita Doshi	Company Secretary

Statutory Auditors

M/s. P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)

Secretarial Auditors

M/s. Dilip Bharadiya & Associates
Company Secretaries

Registrar and Share Transfer Agent

Sharex Dynamic (India)Pvt. Ltd.,

BANKER(S)
Punjab National Bank

BRANCH OFFICE
Hariyana House, 2165 /A-2, 2nd Floor, Sanskar Mandal Chowk, Bhavnagar – 364 002

SHIP BREAKING YARD
Plot No.14, Ship Breaking Yard, Alang, District Bhavnagar, Gujarat- 364001

NOTICE

Notice is hereby given that the **30th Annual General Meeting***("the Meeting")* of the members of **Inducto Steels Limited***("the Company")* (CIN: L27100MH1988PLC194523) will be held on **Saturday, September 29, 2018** at **10.30 a.m.** at Registered Office of the Company situated at 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021 to transact, with or without modification(s), as may be permissible, the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated)of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To re-appoint Mrs. Sweety Reniwal (DIN: 00041853), who retires by rotation as a Director and being eligible, offers herself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Sweety Reniwal (DIN: 00041853),who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To ratify the appointment of Statutory Auditors of the Company and in this regard, pass the following resolution as an **Ordinary Resolution:**

   Ratification of the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, at same terms and conditions.

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, be and is hereby ratified at same terms and conditions as approved in Annual General Meeting held on September 30, 2017.**"**

4. To appoint Joint Statutory Auditors of the Company and in this regard, pass the following resolution as an **Ordinary Resolution:**

   Appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), as Joint Statutory Auditors of the Company.

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), be and is hereby appointed as the Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company to be held in the financial year 2022, at such remuneration plus taxes as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf.**"**

SPECIAL BUSINESS

5. To approve the appointment of Mr. Rajeev Reniwal (DIN: 00034264) as the Managing Director of the Company and in this regard, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 2(34), 2(51), 2(54), 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) ("the Act"), the relevant provisions of the Articles of Association of the Company and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to such other approvals, as may be necessary, the Company hereby approves the appointment of Mr. Rajeev Reniwal as the Managing Director of the Company until the conclusion of the 34th Annual General Meeting of the Company.

   RESOLVED FURTHER THAT the remuneration payable to Mr. Rajeev Reniwal, if any, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution

6. To re-appoint Mr. Yogesh Thakkar (DIN: 00043588) as an Independent Director and in this regard, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), Mr. Yogesh Thakkar (DIN: 00043588), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto."

7. To re-appoint Mr. Bhushanlal Behl (DIN: 03023697) as an Independent Director and in this regard, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and otherapplicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), Mr. Bhushanlal Behl (DIN: 03023697), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and who is over the age of seventy five years, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto."

8. To advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken and in this regard, pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Section 185 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, read with rules made there under (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), applicable clauses of Articles of Association of the Company, other applicable Rules, Regulations, Guidelines and as recommended by the Board of Directors, the consent of the members be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, from time to time as the Board may deem fit notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits approved by Members of the Company by way of postal ballot voting on October 9, 2015 under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

   RESOLVED FURTHERTHAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company."

On behalf of the Board of Directors

For **Inducto Steels Limited**

Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**
Managing Director	Director
(DIN: 00034264)	(DIN: 00041853)

Date: May 30, 2018

Place: Mumbai

NOTES

1. **STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

   A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("AGM/Meeting") is annexed hereto.

   Details in pursuance of Regulation 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *("Listing Regulations")* and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting under Item No. 2, 5, 6 and 7 of the Notice, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

2. **APPOINTMENT OF PROXY**

   A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS SENT HEREWITH.

   THE PROXY FORM SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY EITHER IN PERSON OR THROUGH POST, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE AGM.

   A person can act as proxy on behalf of not exceeding 50 (fifty) Members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights.

   A Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member.

   If a single person is appointed as a Proxy by more than 50 (fifty) Members, such person shall choose any 50 (fifty) Members and confirm the same to the Company in not less than 48 (forty eight) hours before the commencement of the AGM. In case he fails to do so, only the first 50 (fifty) proxies received by the Company shall be considered as valid. Further, if the company receives multiple Proxy Forms for the same holdings of a Member, the Proxy Form which is dated last will be considered as valid. If such multiple Proxy Forms are not dated or they bear the same date without specific mention of time, all such Proxy Forms shall be considered as invalid.

   In order to be valid and effective, the Proxy Form must be duly filled, completed and signed. Further, the Proxy Form submitted on behalf of the Companies, Corporate Members, Societies etc. must be stamped and shall be supported by an appropriate certified copy of the resolution/ letter of authority, as may be applicable.

   A Proxy Form, duly submitted with the Company in the aforesaid manner, shall be treated as valid until written notice of revocation has been received by the Company before the commencement of the AGM. A Proxy Form which is incomplete in any respect (For e.g. a Proxy Form which does not state the name of the person appointed as a Proxy) and/or is undated, unsigned, unstamped will be considered as invalid.

   A proxy shall prove his identity at the time of attending the meeting. A proxy shall not have a right to speak at the meeting and shall not be entitled to vote except on a poll.

3. **AUTHORISED REPRESENTATIVE**

   Corporate members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signature(s) authorising their representative(s) to attend and vote on their behalf at the AGM, to Sharex Dynamic (India) Pvt. Ltd, the Registrar and Transfer Agent of the Company or to the Company Secretary at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the AGM.

4. **Members, Proxies and Authorized Representatives attending the AGM are requested to bring their photo identity proof and attendance slip, which is enclosed herewith, duly filled & signed and are requested to hand it over at the entrance.**

5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

6. **DOCUMENTS OPEN FOR INSPECTION**

   a. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.

   b. Relevant documents referred to in this Notice and the statement pursuant to Section 102(1) of the Act, shall remain open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10:00 a.m. and 12:00 noon, upto the date of the AGM.

7. **CLOSURE OF REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS**

   The Register of Members and the Share Transfer Books of the Company will remain close from Sunday, September 23, 2018 to Saturday, September 29, 2018 (both days inclusive).

8. **ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING**

   Pursuant to Sections 101 and 136 of the Act read with the relevant rules made thereunder, Companies can serve Annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or Depository Participant(s).

   Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company i.e. **www.hariyanagroup.com** and also forming part of this Notice, to the Company or Sharex Dynamic (India) Pvt. Ltd., Registrar and Transfer Agent of the Company.

   Members holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

   Members may also note that the Notice of the 30th AGM and the Annual Report for Financial Year 2017-18 will also be available on the Company's website i.e. **www.hariyanagroup.com** for downloading. The physical copies of all the documents mentioned/ referred to in this Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days.

   Even after registering for E-communication, Members are entitled to receive such communicationin physical form free of cost, upon making a request for the same. Members desirous of receiving any communication vide a particular mode of service, would be entitled to receive such communication vide such mode of service, on payment of requisite fees as determined by the Company. For any communication, the Members may also send requests to the Company's e-mail ID i.e. contact@hariyanagroup.com.

9. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the AGM. Also, in case the Members seek any additional information with respect to the Financial Statements of the Company, they are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.

10. **VOTING**

    a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and

Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting*("AGM")* by electronic means and the business may be transacted through e-voting services. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility and the members may cast their votes using an electronic voting system from a place other than venue of the AGM *(i.e., "remote e-voting")*.

b. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

c. The remote e-voting period will commence on Wednesday, September 26, 2018 (9:00 a.m.) and will end on Friday, September 28, 2018(5:00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form as on the cut-off date i.e., September 22, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

d. Company has appointed Mr. Dilip Bharadiya (holding Membership No. FCS 7956), Proprietor of M/s. Dilip Bharadiya & Associates, Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and ballot voting at the AGM) in a fair and transparent manner.

e. Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

Procedure for remote E-Voting:

The Company has entered into an arrangement with NSDL for facilitating remote e-voting for the AGM.The procedure to login to e-voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

   a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

   b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

   c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **dilipbcs@gmail.com** to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of **https://www.evoting.nsdl.com** or contact NSDL at the following toll free no.: 1800-222-990.

General Instructions:

a. At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow ballot voting at the AGM with the assistance of scrutinizer for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

b. The Scrutinizer shall, after the conclusion of ballot voting at the AGM, first count the votes cast at by ballot voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

c. The results alongwith the Consolidated Scrutinizer's Report shall be declared by means of: (i) displaying on the Notice Board of the Company at its Registered Office; (ii) dissemination on the website of the Company i.e. www.hariyanagroup.com and on the website of NSDL viz. www.evoting.nsdl.com; and (iii) communication to BSE Limited, thereby enabling them to disseminate the same on its website.

d. The results shall also be available for inspection at the Registered Office of the Company.

Other Information:

a. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners of the Company, as on the cut-off date i.e. Saturday, September 22, 2018 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

b. Members who have cast their vote by remote e-voting prior to the AGM will be entitled to and may attend the AGM and their presence shall be, counted for the purpose of Quorum. However, they shall not be entitled to cast their vote again. In case a Member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.

c. Voting rights of the Members shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. Saturday, September 22, 2018.

d. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at their toll free no.: 1800-222-990.

e. Every Client ID No./Folio No. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.

12. **DEMATERIALISATION OF HOLDINGS**

a. In accordance with the amendments to Regulation 40 of SEBI Listing Regulations, to be made effective later, the Securities and Exchange Board of India ("SEBI") has revised the provisions relating to transfer of listed securities, thereby curbing the risks of fraud and manipulation in physical transfer of securities.

b. In terms of the amendments, requests for effecting transfer of listed securities shall be processed only if the securities are held in dematerialised form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited).

c. Accordingly, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Company or Sharex Dynamic (India) P Ltd., for assistance in this regard.

d. Transfer of securities only in demat form will improve ease; facilitate convenience and safety of transactions for investors.

13. **SUBMISSION OF MEMBERS' PERMANENT ACCOUNT NUMBER ("PAN")**

a. SEBI has mandated submission of PAN by every participant in the Securities Market. Accordingly, Members holding shares in dematerialised form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Sharex Dynamic (India) P Ltd.

b. Also, in terms of the Circular dated April 20, 2018 issued by SEBI, Members holding securities in physical form are advised to register their PAN and Bank Account Details with the Company or Sharex Dynamic (India) P Ltd., by sending a duly signed letter alongwith self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. Alternatively, the Members may submit a copy of bank passbook/ statement, duly attested by the Bank. Members holding shares in dematerialised form are requested to ensure that the aforesaid information is submitted/ updated with their respective Depository Participant.

c. Further, in terms of the SEBI Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or Sharex Dynamic (India) P Ltd. with respect to all requests pertaining to transfer of shares, deletion of name, transmission of shares and transposition of shares.

14. All the Members are requested to intimate changes, if any, pertaining to their name, postal address, E-mail address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants - in case the shares are held by them in dematerialised form and to the Company or Sharex Dynamic (India) P Ltd.- in case the shares are held by them in physical form.

15. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.hariyanagroup.com. Members holding shares in dematerialised form are requested to submit the said details to their Depository Participant(s) and the Members holding shares in physical form, are requested to submit the said details to the Company or Sharex Dynamic (India) P Ltd.

16. Members are requested to make all correspondence in connection with shares held by them by addressing

letters directly to the Company or Sharex Dynamic (India) P Ltd., quoting their Folio No. or DP ID-Client ID, as the case may be.

17. Non-Resident Indian Members are requested to immediately inform the Company or Sharex Dynamic (India) P Ltd. or to the concerned Depository Participant(s), regarding:

    a. the change in the residential status on return to India for permanent settlement; and/or

    b. the particulars of the NRE Account with a Bank in India, if not furnished earlier.

18. Members are requested to please read the "Company's Recommendations to the Shareholders" provided in the "General Shareholder Information" Section of the Annual Report for the Financial Year 2017-18.

On behalf of the Board of Directors

For **Inducto Steels Limited**

Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**
Managing Director	Director
(DIN: 00034264)	(DIN: 00041853)

Date: May 30, 2018

Place: Mumbai

EXPLANATORY STATEMENT

[Pursuant to Section 102 of The Companies Act, 2013 relating to the business set out in the accompanying Notice]

Item No. 3 and 4

In view of the provisions of the Companies Act, 2013, M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar and M/s. Lahoti Navneet & Co., Chartered Accountants, Mumbai, are the Joint Statutory Auditors of the Company.

In the last AGM held on September 30, 2017, M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar, were appointed as Statutory Auditors for a period of 5 years i.e. to hold office from the conclusion of 29th Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company to be held in the financial year 2022 subject to their ratification at every AGM.

Further, M/s., Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W) were appointed as branch auditors to audit the Accounts of the Mumbai division of the Company for a period of 5 years i.e. to hold office from the conclusion of 29th Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company to be held in the financial year 2022.

The management after deliberations proposed to appoint M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai as the Statutory Auditor jointly with M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar for 4 financial years i.e., from the conclusion of ensuing Annual General Meeting till the conclusion of 34th Annual General Meeting of the Company to be held in the financial year 2022.

Thus in lieu of the above, M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai now acts as the Joint Statutory Auditor instead of Branch Auditor.

The Joint Statutory Auditors have confirmed their eligibility for proposed ratification/appointment.

As per recommendation of the Audit Committee, the Board proposes and recommends to Shareholders for their ratification/appointment as Joint Statutory Auditors of the Company. Resolutions seeking your approval to their ratification/appointment is included in item no. 3 to the Notice of the ensuing annual general meeting.

Item No. 53 & 4

None of the directors of the company is concerned or interested in the resolution.

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee and approval of Board and subject to the approval of the members at the ensuing Annual General Meeting, Mr. Rajeev Reniwal has been appointed as Managing Director of the Company for a term of 5 years with effect from October 01, 2017 and on the terms and conditions that no remuneration shall be paid to him in consideration of the performance of his duties except the following perquisites:

(i) Reimbursement of medical and hospitalization expenses of the Managing Director and his family.

(ii) Leave Travel Allowance for the Managing Director and his family in accordance with the Company's policy.

(iii) Bonus for the financial year, at the discretion of the Company, with approval from the shareholders

(iv) Reimbursement of expenses incurred by him in purchase of newspapers, magazines, books and periodicals in accordance with the Company's policy.

(v) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company's policy.

(vi) Provision of car for the use on Company's business and telephone at residence.

(vii) Provision of use of driver and his meal coupons.

Keeping in view that Mr. Rajeev Reniwal has rich and varied experience in the Industry and has been involved in the operations of the Company over two decades; it would be in the interest of the Company to appoint him as the Managing Director of the Company.

Further, the Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of Mr. Rajeev Reniwal as Managing Director of the Company. In compliance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the terms of appointment and remuneration of the Managing Director as specified above are now being placed before the members for their approval.

Except for Mr. Rajeev Reniwal and Mrs. Sweety Reniwal or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in this resolution set out at item no. 5

Item No. 6

Mr. Yogesh Thakkar (DIN: 00043588) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 (“first term”). The NARC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Yogesh Thakkar as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NARC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Yogesh Thakkar would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Yogesh Thakkar as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Yogesh Thakkar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Yogesh Thakkar that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Yogesh Thakkar fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Yogesh Thakkar is independent of the management.

Details of Mr. Yogesh Thakkar, in terms of Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Clause 1.2.5 of Secretarial Standards on General Meetings, also form part of this Notice.

Copy of draft letter of re-appointment of Mr. Yogesh Thakkar setting out the terms and conditions of re-appointment is available for inspection by the members at the registered office of the Company.

Mr. Yogesh Thakkar is interested in the resolution set out at Item No. 6 of the Notice with regard to his reappointment. Relatives of Mr. Yogesh Thakkar may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

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

Except Mr. Yogesh Thakkar (the appointee), none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 6.

Item No. 7

Mr. Bhushanlal Behl (DIN: 03023697) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 ("first term"). The NARC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Bhushanlal Behl as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the appointment of any Non Executive Director who has attained the age of Seventy Five years, needs the approval of the members of the company by means of a special resolution.

Mr. Bhushanlal Behl is over the age of Seventy five years, however, the Board, based on the performance evaluation and as per the recommendation of the NARC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Bhushanlal Behl would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Bhushanlal Behl as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Bhushanlal Behl is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Bhushanlal Behl that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Bhushanlal Behl fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Bhushanlal Behl is independent of the management.

Details of Mr. Bhushanlal Behl, in terms of Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Clause 1.2.5 of Secretarial Standards on General Meetings, also form part of this Notice.

Copy of draft letter of re-appointment of Mr. Bhushanlal Behl setting out the terms and conditions of re-appointment is available for inspection by the members at the registered office of the Company.

Mr. Bhushanlal Behl is interested in the resolution set out at Item No. 7 of the Notice with regard to his reappointment. Relatives of Mr. Bhushanlal Behl may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

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

Except Mr. Bhushanlal Behl (the appointee), none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 7.

Item No. 8

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, from time to time as the Board may deem fit as per section 185 of Companies Act, 2013 notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits approved by Members of the Company by way of postal ballot voting on October 9, 2015 under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

Pursuant to the provisions of section 185 of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of members by way of special resolution.

The Board therefore, commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN THE THIRTIETH ANNUAL GENERAL MEETING, AS SET OUT IN ITEM NOS. 2, 5, 6 AND 7 OF THIS NOTICE, IN TERMS OF REGULATIONS 26(4) AND 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS

A. Brief resume including qualification, experience and expertise in specific functional area:

a) Mr. Rajeev Reniwal

b) Mrs. Sweety Reniwal

c) Mr. Yogesh Thakkar

d) Mr. Bhushanlal Behl

Mr. Rajeev Reniwal

Mr. Rajeev Reniwal has accumulated over 2 decades of knowledge heading the Ship Recycling Business since 1992. With a sharp acumen and expertise in finance, Rajeev Reniwal actively handles the international trade and finance division for the group.

Believing in leading by example Mr. Rajeev Reniwal is involved in the strategic development and expansion of the Ship recycling and real estate investments business.

An initiator and risk taker, Mr. Rajeev Reniwal drives the group’s expansion and business stratagem which has led to the group’s scaling heights today

Mrs. Sweety Reniwal

Mrs. Sweety Reniwal is a Commerce graduate and has experience of over 1.5 decades in the field of business administration, finance, management, sales, marketing and corporate governance.

She is the Non Executive Director of the Company. Her contribution in the growth of the Company is commendable. Mrs. Sweety Reniwal is the member of the Nomination and Remuneration committee, Audit committee and Stakeholders’ Relationship & Share Transfer Committee and the Corporate Social Responsibility Committee.

Mr. Yogesh Thakkar

Mr. Yogesh Thakkar graduated in Science. He is very active in community and social causes.

He has over 20 years of vast experience in the Company particularly in Management consulting and possesses appropriate skills, experience and knowledge in fields of finance, management, sales, marketing, administration and corporate governance.

Presently, he is an Independent Director on Board of the Company and the Chairman of Nomination and Remuneration committee, Audit committee and member of Stakeholders' Relationship & Share Transfer Committee.

Mr. Bhushanlal Behl

Mr. Bhushanlal Behl has over 5 decades of vast experience in the Company particularly in Management consulting and possesses appropriate skills, experience and knowledge in fields of finance, management, sales, marketing, administration and corporate governance.

Presently, he is an Independent Director on Board of the Company and the Chairman of Stakeholders' Relationship & Share Transfer Committee and member of Nomination and Remuneration committee and Audit committee

B. Other Details

Name of Director	Mr. Rajeev Reniwal	Mrs. Sweety Reniwal
Director Identification Number (DIN)	00034264	00041853
Date of Birth	10/10/1968	21/10/1973
Date of First Appointment	01/04/1993	09/03/2002
Experience	20 years	16 years
Past Remuneration drawn from the Company	NIL	NIL
Remuneration sought to be paid	NIL	NIL
Shareholding in the Company as on March 31, 2018	337,526	4,07,745
Relationship with the other Directors, Manager and Other Key Managerial Personnel of the Company	Husband of the Mrs. Sweety Reniwal	(Non Executive Director) Wife of the Managing Director
No. of Board Meetings attended during the Financial Year 2017-18	10 (ten)	10 (ten)
List of other Indian Public Limited Companies in which Directorships held(1)	None	None
Chairperson/ Member of Committee(s) of Board of Directors of the Company(2)	Nil	Nil
Chairperson/ Member of the Committee(s) of Board of Directors of other Companies in which he is a Member/ Chairperson(2)	Nil	Nil

Notes:

(1) This excludes directorships in the Company, Foreign Companies, Private Companies, Companies incorporated under Section 25 of the erstwhile Companies Act, 1956 and Companies incorporated under Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Memberships/ Chairmanships in only two committees' viz. Audit Committee and Stakeholders' Relationship and Share Transfer Committee of Public Limited Companies are considered.

Name of Director	Mr. Yogesh Thakkar	Mr. Bhushanlal Behl
Director Identification Number (DIN)	00043588	03023697
Date of Birth	20/12/1946	07/09/1935
Date of First Appointment	22/03/2004	12/04/2010
Experience	20 years	50 years
Past Remuneration drawn from the Company	NIL	NIL
Remuneration sought to be paid	NIL	NIL
Shareholding in the Company as on March 31, 2018	NIL	NIL
Relationship with the other Directors, Manager and Other Key Managerial Personnel of the Company	N.A.	N.A.
No. of Board Meetings attended during the Financial Year 2017-18	6 (Six)	10 (ten)
List of other Indian Public Limited Companies in which Directorships held(1)	None	None
Chairperson/ Member ofCommittee(s) of Board of Directors of the Company(2)	Nil	Nil
Chairperson/ Member of the Committee(s) of Board of Directors of other Companies in which he is a Member/ Chairperson(2)	Nil	Nil

Notes:

(1) This excludes directorships in the Company, Foreign Companies, Private Companies, Companies incorporated under Section 25 of the erstwhile Companies Act, 1956 and Companies incorporated under Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Memberships/ Chairmanships in only two committees' viz. Audit Committee and Stakeholders' Relationship and Share Transfer Committee of Public Limited Companies are considered.

ROUTE MAP FOR AGM VENUE

INDUCTO STEELS LIMITED
CIN: L27100MH1988PLC194523
Reg. Off: 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021.
Tel- 022 - 22043211 Fax– 22043215 E-mail: contact@hariyanagroup.com,
Website: www.hariyanagroup.com

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ATTENDANCE SLIP

INDUCTO STEELS LIMITED

CIN: L27100MH1988PLC194523
156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Website: www.hariyanagroup.com; Email: contact@hariyanagroup.com
Tel: 022-22043211; Fax: 22043215

ATTENDANCE SLIP FOR THIRTIETH (30TH) ANNUAL GENERAL MEETING ON SEPTEMBER 29, 2018 AT 10.30 A.M

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name	
Address	
Folio No. / DP ID and Client ID	
No. of Equity Shares	

I certify that I am a registered Member/ proxy/ representative for the registered Member of the Company and I hereby record my presence at the 30th Annual General Meeting of the Company ("AGM") at 156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021.

______________________	______________________	______________________
First/ Sole holder/ Proxy	Second holder/ Proxy	Third holder/ Proxy

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PROXY FORM

[As per MGT-11 & 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 No.*	
DP ID	

*Applicable in case of shares held in electronic form

I/We, holding _______________ Equity Shares of the above named Company, hereby appoint:

1. Name: ______________________________
 Address: ______________________________
 Email ID: ______________________________
 Signature: ______________________________ or failing him / her
2. Name: ______________________________
 Address: ______________________________
 Email ID: ______________________________
3. Name: ______________________________
 Address: ______________________________
 Email ID: ______________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **30th ANNUAL GENERAL MEETING** of the Company to be held on **Saturday, September 29, 2018** at **10:30 a.m.** at 156, Maker Chamber VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution	Resolution	Vote(Optional, see Note 3) (Please mention no. of shares) see Note 3)	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated)of the Company for the financial year endedMarch 31, 2018 alongwith the reports of the Directors and Auditors thereon		
2.	To re-appoint Mrs. Sweety Reniwal (DIN: 00041853), who retires by rotation as a Director and being eligible, offers herself for re-appointment		
3.	To ratify the appointment of Statutory Auditors of the Company: Ratification of the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, at same terms and conditions.		
4.	To appoint the Joint Statutory Auditors of the Company: Appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), as Joint Statutory Auditors of the Company		
Special Business			
5.	To approve the appointment of Mr. Rajeev Reniwal (DIN: 00034264) as the Managing Director of the Company		
6.	To re-appoint Mr. Yogesh Thakkar (DIN: 00043588) as an Independent Director of the Company		
7.	To re-appoint Mr. Bhushanlal Behl (DIN: 03023697) as an Independent Director		
8.	To advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken		

Signed this..........day of 2018

Note:

1. This form in order to be effective should be duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
2. Those Members who have multiple folios with different joint holders may use copies of this proxy.
3 It is optional to indicate your preference. If you leave the 'for' or 'against' any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate

Affix Revenue Stamp

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INDUCTO STEELS LIMITED
(CIN: L27100MH1988PLC194523)
156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Website: www.hariyanagroup.com; Email: contact@hariyanagroup.com;
Tel: 022-22043211; Fax: 22043215

E-COMMUNICATION REGISTRATION FORM

Dear Members,

The Ministry of Corporate Affairs and the Securities and Exchange Board of India have commenced Green Initiative by allowing paperless compliances by Companies. The Companies can send Annual Reports and General Notices in electronic mode to Members who have registered their e-mail addresses for the purpose.

It is a welcome move for the society at large as this will reduce paper consumption to a great extent and allow Shareholders to contribute towards a Greener Environment. This is a golden opportunity for every Shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

We therefore invite all our Members to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the enclosed registration form which is available on the website of the Company i.e. **www.hariyanagroup.com** .

Let's be part of this 'Green Initiative'!

Please note that as a Member of the Company you will be entitled to receive all such communication in physical form, upon request.

Best Regards,

Rajeev Reniwal

Chairman

E - COMMUNICATION REGISTRATION FORM
Folio No. / DP ID and Client ID:
Name of 1st Registered Holder:
Name of Joint Holder(s):
Registered Address:
E-mail ID (to be registered):
I/ We Member(s) of Inducto Steels Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail address in your records for sending communication through E-mail. Date: .... Signature: ....

Note: Member(s) are requested to provide the e-mail ID very carefully, as all the communication from the Company shall be sent to the e-mail ID provided through this form. The Shareholders are also requested to keep the Company informed as and when there is any change in the registered E-mail address.

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REPORT OF THE BOARD OF DIRECTORS

(INCLUDES MANAGEMENT DISCUSSION AND ANALYSIS)

Dear Members,

The Board of Directors are pleased to present the Company's Thirtieth (30th) Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2018 ("year under review/ FY 2017-18").

Management Discussion and Analysis

To avoid repetition of information, the Management Discussion and Analysis on performance of the Company is presented below.

Global Overview:

IMF remains positive on India's growth potential and has retained its GDP forecast for the country at 7.4% in 2018. It also estimated that the Indian economy would grow by 7.8% in 2019, making it world's fastest growing economy in 2018 and 2019.

FY 2017-18 was a landmark year due to implementation of much awaited Goods and Services Tax ("GST"). While sector experienced limited unfavourable impact early on due to roll out related disruptions, it gradually experienced steady recovery towards the end of the year. Your Company believes that this move has created a singular trading market across the country, creating an organised ecosystem under unified tax regime; expected to benefit both consumers and companies in the long run.

External Environment

1. Macroeconomic Condition

During the Financial Year 2017-18, the global economy continued its broad-based momentum and registered a growth of 3.8%, its strongest level since 2011, as more than half of the world's economies registered growth. Global manufacturing activity continued to grow on account of favourable financing conditions globally, accommodative policies, rising investor confidence and increase in commodity prices. Global economy was aided by rebound in global trade, investment recovery in advanced economies and continued growth in emerging Asia. Growth in advanced economies was driven by strong domestic demand and improved labour markets while emerging markets witnessed strong consumption and trade momentum. The United States of America ('US') witnessed a growth of 2.3% on the back of strong external demand, private investment and a weaker dollar. Demand was positively affected by the overhaul of the tax code in 30 years - the corporate income tax rate was slashed to 21% from 35% and taxes for households were also lowered. Strong domestic demand is also a recurring theme in Europe and Asia. Euro area registered a growth of 2.4%, which is almost 0.6% higher than previous year. Policy stimulus and strengthening global demand has contributed to this increase in growth. In Japan, strong domestic demand aided by recovery in consumer spending and investment helped achieve growth of 1.7%. Among the emerging and developing economies, China continued to maintain its growth rate at approximately 7%, aided by policy support and recovery in trade. Growth in India was 6.7% owing to consumption led growth influenced by Government policies and investments. Growth in Middle-East and sub-Saharan Africa was impacted by geo-political/domestic conflicts. Overall, improved growth in US, Europe and other key regions more than offset the lower growth in other regions and helped sustain growth momentum.

2. Economic Outlook

According to International Monetary Fund ('IMF'), global growth is projected to rise to 3.9% in 2018 and 2019, closer to the long-term growth trend of 4%. The IMF estimates that the growth of more than 1.5% in 2017 in each of the world's seven biggest economies—the US, China, Germany, Japan, France, the UK and India— will provide an impetus to the world economy to achieve more robust growth in 2018. Advanced economies are expected to maintain their growth momentum in 2018. The US economy is projected by IMF to grow at a faster pace (2.7%) in 2018 aided by fiscal stimulus and policies. The euro area economic recovery has broadened across its member nations and is likely to be aided by rise in capex and consumption. Unemployment rate has reached its lowest level since 2009 and the European Central Bank ('ECB') is expected to keep interest rates unchanged and gradually scale back on asset purchases with an eye on economic growth. Among other key regions, China's GDP growth is likely to moderate to 6.5% in 2018 as the policy makers continue their efforts to promote quality growth. Supply side reforms through capacity cuts, rural revitalisation, urbanisation & housing reform and controlled pace of credit growth are likely to determine domestic demand and potential movement in commodity prices. As per IMF, India is expected to grow between 7.0% to 7.5% in Financial Year 2018-19 aided by rural development, infrastructure investment and expansion of manufacturing activity. Outlook for Middle-East and North Africa is gradually improving on the back of higher commodity prices. Structural issues though continue to pose a significant risk to the global growth cycle. While the supportive economic environment, policies and commodity prices are likely to aid growth in the short term, possible financial stress, increased protectionism and rising geopolitical tensions may pose as downside risks to growth. Further, restrictions by the US government on imports and other protectionist measures in Europe & other regions may disrupt global trade and investment adversely affecting global growth and sentiment. Also, high leverage levels among nations makes them financially vulnerable and any tighter financial conditions in US, Europe or China is likely to have adverse spill-over effect on global growth. Outcome of the Brexit negotiations is likely to impact the pace of recovery in UK as well as the Eurozone economy.

The following financial performance and analysis, details of various plants/segments is intended to convey the Management's perspective on the financial and operating performance of the Company at the end of Financial Year 2017-18. It should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India ('SEBI'). Aspects on industry structure and developments, outlook, risks, internal control systems and their adequacy and material developments in human resources have been covered hereinbelow.

a) Standalone Ind AS Financial Results : Review and Analysis

(Rs. in Lakhs)

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Revenue from operations	2202.82	2572.24
Other Income	170.95	436.42
Total Revenue	**2373.77**	**3008.66**
Cost of raw materials consumed	2026.66	2328.53
Changes in inventories of finished goods, stock – in – trade, work – in – process	(31.35)	-
Employee benefits expenses	72.97	56.49
Finance costs	30.45	152.03
Excise Duty	126.55	269.49
Depreciation and amortization expenses	14.76	14.42
Other expenses	94.25	102.61
Total Expenses	**2334.28**	**2923.57**
Profit / (Loss) before tax	**39.48**	**85.09**
Less: Current Tax	16.97	23.58
Less: Deferred Tax	(1.59)	2.23
Profit / (Loss) after tax	**24.10**	**59.28**
Other Comprehensive Income	**(0.04)**	**-**
Total Comprehensive Income for the year	**24.07**	**59.28**
Earnings Per Share (Face Value of Rs. 10/- each)- Basic- Diluted	 0.60 0.60	 1.48 1.48

b) Standalone Cash Flow Analysis

(Rs. in Lakhs)

Particulars	March 31, 2018	March 31, 2017
- Net Cash Flow from Operating Activities	3174.54	(5225.40)
- Net Cash Outflow from Investing Activities	(3169.19)	5375.55
- Net Cash Outflow from Financing Activities	(30.45)	(153.48)
- Net Cash Inform/(Outflow)	**(25.09)**	**(3.34)**

Notes:

(1) Effective July 1, 2017, Revenue is recorded net of GST, whereas earlier the same was recorded gross of excise duty which forms part of expenses. Hence, revenue from operations are not comparable with the previous period corresponding figure.

(2) Includes Other Income of Rs.170.83 Lakhs (Previous Year Rs. 17.01 Lakhs) and Finance income of Rs. *0.12 Lakhs (Previous Year* Rs. *419.42 Lakhs).*

Revenue

Your Company reported Revenue of Rs. 2202.82 lakhs (net of inter-segment adjustment) during the year, which has fallen down by 14.36% over the previous year.

Operating Profit (EBITDA)

The Operating Profit of the Company, including other income and finance income is Rs. 84.69 Lakhs (previous year Rs. 251.55 Lakhs). The EBITDA margin is at 3.84% and the Company is continuously making efforts to improve the same.

Finance Cost

Finance cost during the year was Rs. 30.45 lakhs (down from Rs. 152.03 lakhs in previous year).

Depreciation

Depreciation during the year increased to Rs. 14.76 lakhs from Rs. 14.42 lakhs in previous year due to addition in fixed assets.

Financial Performance Review and Analysis (Consolidated)

Notes:

(1) *Effective July 1, 2017, Revenue is recorded net of GST, whereas earlier the same was recorded gross of excise duty which forms part of expenses. Hence, revenue from operations are not comparable with the previous period corresponding figures.*

(2) *Includes Other Income of Rs.170.83 Lakhs (Previous Year Rs. 17.01 Lakhs) and Finance income of Rs. 0.12 Lakhs (Previous Year Rs. 419.42 Lakhs).*

(3) *Recognized Deferred tax assets on brought forward accumulated losses and their absorption based on reasonable certainty in coming years.*

Revenue

Your Company reported consolidated Revenue of Rs. 2202.82 lakhs (net of inter-segment adjustment) during the year, which has fallen down by 14.36% over the previous year.

Operating Profit (EBITDA)

The consolidated Operating Profit of the Company, including other income and finance income is Rs. 84.69 Lakhs (previous year Rs. 251.55 Lakhs). The consolidated EBITDA margin is at 3.84% and the Company is continuously making efforts to improve the same.

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Depreciation

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Industry Overview

Alang is witnessing a drastic shift especially towards green ship recycling and it is reimaging its outlook by following all the certification, upgrading infrastructure, safety standards, and being environmentally conscious. Ship recycling in India contributes around 1 to 2% for domestic steel demand and most of dismantled ship scraps are recycled and reused.

The ship breaking industry at Alang in Gujarat witnessed a 12 per cent drop in business during the just-ended fiscal 2017-18, as a two-year-old ship recycling policy struggled to infuse fresh life in to a sector that is increasingly being challenged by competition from neighbouring Pakistan and Bangladesh.

In 2017-18, a total of 253 ships weighing over 24.33 lakh Light Displacement Tonnage (LDT) beached at the shores of Alang that houses one of the world's largest ship recycling yard. This is 12 per cent less compared to the 259 ships and 27.75 lakhs LDT that was broken, reveals data from the Gujarat Maritime Board (GMB), the state's nodal agency that controls all shipbreaking activities at the yard in Bhavnagar district.

The business at Alang is nowhere close to the highs witnessed in 2011-12 when a record 414 ships with 38.56 lakhs LDT were broken at this yard having about 170 dedicated plots for shipbreaking activity. In the last seven years between 2011 and 2017, the tonnage of ships broken at the yard annually has fallen by 37 per cent.

Not a single new player has entered Alang in the last two years after the new ship-recycling policy took effect. Only 130 of the 154 plots at Alang are currently occupied. Others are still lying empty. Secondly, the demand from construction sector for recycled steel in India is low this year. The new policy has attracted hardly any new players and the banks have also tightened their lending and not giving finance.

Ship-breakers feel that their counterparts in Bangladesh and Pakistan are able to pay more and the new ship-recycling policy introduced by the Gujarat government in January 2016 has not been able to attract new players to the sector. The demand of the ships is more in Bangladesh and Pakistan compared to India. The main source of steel for both of them is end-of-life ships. The ship-breakers in Bangladesh and Pakistan are able to pay USD 20 more for every tonne. Indian ship-breakers are able to offer about $420-430 per tonne in the international market, while they offer about USD 450-460 for the same ship and so the ship owners divert their ships to the neighbouring countries.

The business dynamics of the ship-recycling industry is an interesting paradox. If the global shipping industry is going through a good cycle, the recyclers will become jobless. If the global shipping industry is performing badly, the recyclers will get good business as more ships will be sent to scrapping yards. The current global economic tide is favouring ship-breakers.

The shipping industry is currently in rough waters. The Baltic Dry index, which measures freight rates for commodity bulk carriers, has fallen by around 95 per cent since its peak in 2008. Of the top 12 shipping companies in the world, 11 are posting quarter-on quarter losses. The global shipping industry may lose as much as $10 billion on revenues of $170 billion in 2017, estimate industry experts.

It is these woes of the shipping industry that are building up hopes across the ship-recycling yards of Alang. The world's largest ship-recycling yard had its dream run in 2011-12 when it broke 415 ships. Alang has a capacity of dismantling 450 ships a year and re-rollable steel capacity of 4.5 million tonnes per annum. From then on, it was a steep fall. The number of ships in 2012-13 fell to 394 and then to 298 in 2013-14. In 2014-15, only 275 ships were scrapped, while that number further fell to 249 ships in 2015-16. Fair weather appears to have returned to Alang with 315 ships having been broken in the previous financial year of 2016-17, according to data from the Ship Recycling Industries Association.

A favourable business cycle has brought cheers to nearly 40,000 workers of the ship-breaking industry. Moreover, another about 1,00,000 people indirectly employed by ancillary industries and related activities such as steel re-rolling industry and shops selling everything in a ship from cutlery to ropes to furniture and computers - are also having a good time as the tide turns for the ship-recycling industry. The proposed clean-up legislation could put Alang back in business like never before.

Industry's Initiative/ Structure and Developments

A proposed eco-friendly law may further boost the prospects of ship-breaking industry, as it returns to a buoyant business cycle.

India has begun cleaning up its tarnished ship-breaking industry. Accordingly, the Union government has drafted a law to implement the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. This convention was adopted by the International Maritime Organization (IMO) in 2009.

A draft legislation to implement the Hong Kong Convention to make the ship-recycling industry safe for its workers and the environment is now undergoing pre-legislative consultations. The Hong Kong convention is yet to come into force as it has not been ratified by 15 countries, representing 40 per cent of the world's merchant shipping by gross tonnage. Only six countries - Norway, Congo, France, Belgium, Panama and Denmark - have ratified it so far. The proposed Safe and Environmentally Sound Recycling of Ships Bill, 2016 aims to give effect to the provisions of the Hong Kong Convention. The Bill makes it mandatory for ships to carry out all recycling activities in a safe manner and according to global practices. Any violation in this regard could attract a fine of Rs 10 lakhs and a six-month imprisonment.

Since 2015, around Rs 10,000-crore Indian ship-recycling industry has voluntarily started adopting global best practices in dismantling discarded ships. The industry has taken up this clean-and-green initiative even before the legislation was enacted. Some 55 of the 120 working yards have won the Hong Kong Convention's compliance certificates from global ship classification societies. Another 15 other yards are being audited for certification.

Alang, the world's largest ship-breaking yard in south Gujarat's Bhavnagar district, which was set up in 1982 by Gujarat Maritime Board, rapidly grew into one of the major, global, ship-recycling hubs and has been undergoing encouraging changes in the past few years. The new Alang is clean and green. Most of the yards have clean and cemented platforms. Scrapped steel, computers and huge engine parts are properly stored in neat and clean temporary storage facilities. Even half-scrapped ships display red ribbon warning signs to workers on duty. Besides, almost all workers wear helmets, safety jackets and boots. The situation in Alang has been improving for the better in the past two years. Meanwhile, India is upgrading the ship-recycling yards in Alang through a $76-million soft loan from the Japan International Cooperation Agency. The upgrade envisages concrete floors to prevent pollutants from entering the sub-soil and improvement of workers' safety conditions and environmental safeguards.

As Alang gets its clean-up act together, ship-breaking companies are betting big on brightening business prospects. The deserted scrapping beaches are now full with ships. The ship-breaking yards are buzzing with activity as huge vessels are dismantled by scores of workers. Back in Bhavnagar, about 50 km from Alang, ship-recycling companies are busy firming up deals with scrap dealers, steel re-rollers, logistics suppliers and buyers of second-hand electrical items, furniture, computer and kitchen cabinets.

Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.

The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US$ 30 million).

Business Overview

The company is in the business of ship breaking and investment activities.

During the financial year 2017-18, witnessed frequent fluctuation in the prices of old ship in the international market and also heavy dollar exchange rate fluctuations. This has adversely affected the sales turnover of the company. However, the prices in Iron and steel industry are gradually getting stabilized, but foreign currency and fluctuations in value of Indian Rupee vis-à-vis US Dollar remains a concerning area for the company even in the current year. The management is exercising caution in purchase of ships for breaking to optimize the profit margin and minimize the possibilities of losses, if so happens.

Whenever, there is no immediate payment liability against old ship purchased for breaking, the surplus funds available with the Company are given as loan on short term basis. The Company is hopeful that the Company can earn reasonable return on these loans/investments.

Surplus funds are also invested in new avenues of earnings in the form of partnership with other entities like in Real Estate and Redeveloping firms. At present the Company has partnership with M/s. Calvin Divine Enterprises with 20% share and M/s. Shree Balaji Associates with 5% share. The management is hopeful that the Company can earn reasonable return on these investments.

a) Segmental Review

During the financial year 2017-18, ship-breaking unit at Alang Ship Breaking Yard is expected to grow substantially in coming years. Due to fluctuating and volatile prices of old Ships, Iron and Steel products coupled with fluctuations in value of Indian Rupee vis-à-vis US Dollar during the year, the net profit margins of this segment has been affected. No trading activities were carried out during the year under review. However, the management is of the view that, in the coming years the ship breaking industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

1. Ship breaking:

As has been stated in the out-look, due to fluctuations in the exchange rate of US Dollar vis-à-vis Indian Rupee and steep decrease in prices of Iron and steel products and volatile market conditions. During the year company has achieved sales turnover of Rs. 2202.82 Lakhs as against Rs. 2572.24 Lakhs last year. During the financial year 2017-18, ship-breaking unit at Alang Ship Breaking Yard has not shown a growth, however, the ship breaking unit is expected to grow substantially in coming years. Due to fluctuating and volatile prices of old ships, Iron and Steel products coupled with fluctuations in value of Indian Rupee vis-à-vis US Dollar during the year, the sales turnover of this segment has been affected. Though the year under review saw fluctuation in the international market of old ships coming for breaking, the management was very cautious and purchased ships at proper time and built a good level of inventories to earn better profits in coming years. Now the market has stabilized and taking into account the inventory level of the company as at the year end, it is hoped that the turnover and the profitability will show a an increase in the coming years.

2. Trading & Investments (HO-Mumbai): During the financial year 2017-18, the company has not performed any trading activities due to fluctuating and volatile prices of old ships, Iron and Steel products. The management is of the view that, in the coming years the iron and steel industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

b) Segment-wise Standalone Ind AS Financial Results

(Rs. in Lakhs)

Particulars	Trading Unit	Ship-Breaking Unit	Total
a) Revenue from External Source	0.00	2202.82	2202.82
b) Other Income	(8.42)	179.37	170.95
c) Segment Results Before Interest and Taxes	(12.28)	82.21	69.9
d) Segment Assets	3865.44	275.71	4141.15
e) Segment Liabilities	32.97	11.06	44.03

a) **Risk Management**

The Company is exposed to the risk from the market fluctuations of foreign exchange as well as the fluctuation in the price of iron and steel. The Company's raw material is old ship, which is purchased from the international market on credit ranging up to 180 days to 360 days. The Company is adopting policy of full hedging or covering the foreign exchange requirement, the Company is regularly monitoring the foreign exchange movement and suitable remedial measures are taken as and when felt necessary.

Though the Company is employing such measures, the Company is still exposed to the risk of any heavy foreign exchange fluctuation.

Likewise the Company's finished products are mainly re-rollable scrap generated from ship breaking and the price of the same is linked to the market rate for iron and steel. Any up and down in the price of the iron and steel will affect the profitability of the Company. However taking into account, the price fluctuations already affected during the year 2017-18.

Outlook – Way Forward

India is expected to overtake Japan to become the world's second largest steel producer soon, and has envisaged achieving 300 MT of annual steel production capacity by 2030.

Steel consumption is expected to grow 5.7 per cent year-on-year to 92.1 MT in 2018.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy that has been approved by the Union Cabinet in May 2017 is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Your Company expects FY 2018-19 to be better as the after-effects of demonetisation and GST implementation seem to have subsided. As per economic surveys, India continues to be the fastest growing economies in the world, and is expected to continue in FY2018-19 as well. This is supported well by favorable factors such as policy reforms.

India is expected to experience sustained growth in short to medium term driven by growth in steel consuming sectors, revival of rural demand, increased spending on infrastructure amongst others. Further, the conducive government stance towards the steel industry through policies focusing on 'Make in India' and Smart City Mission reinforces India's stance as an attractive place for the steel industry. India continues to be an attractive region for steel given its low per capita consumption of approximately 65 kg (world average of 208 kg, China 493 kg). This shows that there is significant headroom for consumption growth. The Company expects to take advantage of the growth opportunity provided by the Indian economy.

Further, India's iron ore reserves and competitive labour costs give steel manufacturers based in the country a distinctive cost advantage. The Company seeks to leverage this advantageous position and strengthen its status as a low-cost and high-quality producer of steel. The competitive business environment, the Company operates in, makes innovation imperative for success of the business.

Internal financial controls and its adequacy

Internal financial control systems of the Company are commensurate with its size and nature of its operations. These have been designed to provide reasonable assurance with regard to the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information and disclosures.

Systems and procedures are periodically reviewed and these are routinely tested by Statutory as well as Internal Auditors and cover all functions and business areas. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Human Resources

Your Company treats its "human resources" as one of its most important assets.

We continuously invest in attraction, retention and development of talent on an ongoing basis. Our thrust is on the promotion of talent internally through job rotation and job enlargement. We believe in harnessing its leadership and people capabilities through sharp focus and initiatives on talent development.

We review our talent based on their performance and potential to assess their readiness for future roles of higher scale and complexity. We believe in developing our employees through multiple experiences requiring them to handle scale and complexity. We have instituted this through varied job rotation and project roles. We have put in place various recognition initiatives for our employees to reward them on their noteworthy performance and contribution.

Our Company is committed to providing work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is also dedicated at promoting a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti Sexual Harassment Framework through which we address complaints of sexual harassment at the workplace. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. We have also constituted Complaints Committee to consider and address sexual harassment complaints in accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Consolidated Financial Statement

As per applicable provisions of the Companies Act, 2013 ("the Act"), if any read with the Rules issued thereunder and in accordance with principles and procedures as set out in the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, the Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 have been prepared.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

Details of Subsidiary/Joint Ventures/Associate Companies

The Company has no subsidiary, associate companies or joint venture companies within the meaning of Section 2(6) and 2(87) of the Act and thus, pursuant to the provisions of Section 129(3) of the Act, the statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is not required to be attached to the financial statements of the Company.

Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Dividend

Your Directors have considered it financially prudent in the long term interest of the Company to reinvest the profits into the business of the Company, to build strong reserve base, meet the funds requirement and grow the business of the Company. Thus, your Board of Directors regret their inability to recommend any dividend for the year ended March 31, 2018.

Loans, Guarantee & Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as on March 31, 2018,if any, form part of the *Notes to the Standalone Financial Statements* provided in this Annual Report.

Contracts or Arrangements with Related Parties

As per the provisions of Section 188(1) of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations, all contracts/arrangements/transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis.

All Related Party Transactions entered into during the year under review were approved by the Audit Committee and the Board, from time to time and the same are disclosed in the Financial Statements of your Company for theyear under review.

Further, pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a Policy on Related Party Transactions and the said policy is available on the website of the Company i.e. **www.hariyanagroup.com.**

Further during the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Accordingly, Form AOC-2 prescribed under the provisions of Section 134(3)(h) of the Act and Rule 8 ofthe Companies (Accounts) Rules, 2014 for disclosure of details of Related Party Transactions which are "not at arm's length basis" and also which are "material and at arm's length basis", is not provided as an annexure to the Board's Report.

Directors and Key Managerial Personnel (KMP)

Re-appointments

- Mr. Rajeev Reniwal is proposed to be appointed as the Managing Director of the Company subject to approval of members of the Company to hold such office until the conclusion of the 34^{th} Annual General Meeting of the Company
- In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Sweety Reniwal, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has recommended her re-appointment at the forthcoming Annual General Meeting.
- The term of office of Mr. Yogesh Thakkar, as the Independent Director, will expire on March 31, 2019. The

Board of Directors, on recommendation of the Nomination and Remuneration Committee has recommended re-appointment of Mr. Yogesh Thakkar, as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office.

- The term of office of Mr. Bhushanlal Behl, as the Independent Director, will expire on March 31, 2019. The Board of Directors, on recommendation of the Nomination and Remuneration Committee has recommended re-appointment of Mr. Bhushanlal Behl, as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office.

Resignations

- During the year under review, Mr. Rakesh Reniwal resigned as the Chief Financial Officer (CFO) of the Company w.e.f. March 27, 2018. The Board places on record its deep appreciation and gratitude for the valuable contribution and advice offered by Mr. Rakesh Reniwal during his tenure as CFO of the Company.

All the Independent Directors of the Company have given their respective declarations stating that they meet the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year. During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

Further, the list of the present Directors and KMP forms part of this Annual Report under the section Company details.

Performance Evaluation of the Board

In terms of the provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Nomination Policy of the Company, NARC and the Board have approved a framework, which lays down a structured approach, guidelines and processes to be adopted for carrying out an evaluation of the performance of the Board, its Committees and individual Directors.

During the year under review, the Board carried out the evaluation of its own performance and that of its Committees and the individual Directors.

The evaluation process focused on various aspects of the functioning of the Board and its Committees, such as composition of the Board and Committees, attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, experience and competencies, performance of specific duties and obligations, governance issues etc. The Board also carried out the evaluation of the performance of individual directors based on criteria such as contribution of the director at the meetings, strategic perspective or inputs regarding the growth and performance of the Company etc.

Outcome of the Evaluation

Board:

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman alongwith assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The performance evaluation of the Board is carried out taking into account the various parameters like composition of Board, process of appointment to the Board, common understanding amongst Directors of their role and responsibilities, timelines and content of Board papers, strategic directions, advice and decision making, etc. The Board also notes the actions undertaken, pursuant to the outcome of previous evaluation exercises.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

Committees of the Board:

The Committee's self-assessment is carried out based on degree of fulfillment of key responsibilities, adequacy of Committee composition, effectiveness of meetings, Committee dynamics and quality of relationship of the Committee with the Board and the Management.

The Independent Director(s) also evaluated the performance of Non-Independent Directors, the Chairman of the Board and the Board as a whole at the meeting of Independent Director(s) held on March 31, 2018. The outcome and feedback from Directors was discussed at the respective meetings of Board, Committees of Board and meetings of Independent Directors.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and necessary steps will be taken going forward.

The details of the evaluation process are set out in the Corporate Governance Report which forms a part of this Annual Report.

Number of meetings of the Board

During the year 10 (ten) Board meetings were held. The details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings are provided in the Corporate Governance Report.

Committees of the Board

A. AUDIT COMMITTEE:

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.The details pertaining to Audit Committee and its composition are included in the Corporate Governance Report which forms part of this report.

B. NOMINATION AND REMUNERATION COMMITTEE ('NARC'):

Your Company has a duly constituted NARC, with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations. The detailed information with respect to the NARC is disclosed in the Corporate Governance Report forming part of this Annual Report.

<u>Nomination Policy and Remuneration Policy/ Philosophy</u>

The Board has, on recommendation of the NARC, adopted a Nomination Policy, which enumerates your Company's policy on appointment of Directors and Key Managerial Personnel ("KMP"), including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act.

The Nomination Policy is enacted mainly to deal with the following matters, falling within the scope of the NARC:

- to institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed as KMP and/or in senior management and recommend to the

Board of Directors their appointment and removal from time to time;

- to devise a policy on Board Diversity;
- to review and implement the succession and development plans for Managing Director, Executive Directors and Senior Managers;
- to formulate the criteria for determining qualifications, positive attributes and independence of Directors; and
- to establish evaluation criteria of Board, its Committees and each Director.

Further, the Board has, on recommendation of the NARC, also adopted a policy entailing Remuneration Philosophy, which covers the Directors, KMP and employees included in Senior Management of the Company.

While formulating this policy, the NARC has considered the factors laid down under Section 178(4) of the Act, which are as under:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Both the aforesaid policies are available on the website of the Company i.e. www.hariyanagroup.com.

C. STAKEHOLDERS' RELATIONSHIP & SHARE TRANSFER COMMITTEE:

The details pertaining to composition of the Committee is included in the Corporate Governance Report, which forms part of this report.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR COMMITTEE"):

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has a duly constituted CSR Committee comprising the following members:

Sr. No.	Name of Member	Designation
1	Mr. Yogesh Thakkar	Chairman
2	Mr. Bhushanlal Behl	Member
3	Ms. Sweety Reniwal	Member

Policy on Corporate Social Responsibility ("CSR")

The Board has, with a vision "to actively contribute to the social and economic development of the communities in which your Company operates and in doing so, build a better, sustainable way of life for the weaker sectionsof society and raise the country's human development index", adopted a CSR Policy and the same is availableon the website of the Company i.e. www.hariyanagroup.com.

The CSR Policy of the Company also mentions the process to be implemented with respect to the identificationof projects and philosophy of the Company, alongwith key endeavours and goals i.e.,

- Education - to spark the desire for learning and knowledge;
- Health care - to render quality health care facilities to people living in the villages and elsewhere;
- Sustainable Livelihood - to provide livelihood in a locally appropriate and environmentally sustainable manner;
- Infrastructure Development - to set up essential services that form the foundation of sustainable development; and
- Social Cause - to bring about the Social Change we advocate and support.

Corporate Social Responsibility (CSR) initiatives taken during the year

In terms of section 135 and Schedule VII of the Act, the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website i.e.,**www.hariyanagroup.com**.

During the year under review, Corporate Social Responsibility is not applicable to the company

Extract of Annual Return

The extract of the Annual Return of the Company as on March 31, 2018 in Form MGT - 9 in accordance with Section 134(3)(a), Section 92 (3) of the Companies Act, 2013 read with Companies(Management and Administration) Rules, 2014, is appended as **Annexure-I** to the Board's Report.

Corporate Governance

A separate section on Corporate Governance forming part of the Board's Report and a Certificate from the Company's Auditors is included in the Annual Report as **Annexure-II** to the Board's Report.

Auditors and Auditors' Report

Statutory Auditors

M/s. P. D. Goplani & Associates, Chartered Accountants, Bhavnagar, having ICAI Firm Registration No. 118023W, were appointed as Auditors of the Company, at the Annual General Meeting held on September 30, 2017, for a term of 5 (five) consecutive yearsi.e. to hold office from the conclusion of 29th Annual General Meeting until the conclusion of 34th Annual General Meeting of the Company to be held in the financial year 2022 subject to their ratification at every AGM. Accordingly, business with respect to the same forms part of the Notice of the ensuing 30th AGM of the Company.

Further, the Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company for financial year 2018-19.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. Also, no frauds in terms of the provisions of Section 143(12) of the Act, have been reported by the Statutory Auditors in their report for the year under review.

Secretarial Auditors

The Board had appointed M/s. Dilip Bharadiya & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the FY 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure-III** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Board of the Company at its meeting held on May 30, 2018 has re-appointed M/s. Dilip Bharadiya & Associates, Practicing Company Secretaries (Certificate of Practice No. 7956), to undertake the Secretarial Audit of the Company for the financial year 2018-19.

Joint Auditors

Pursuant to provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 and on recommendation of the Audit Committee, the Board proposed and recommended to Shareholders for the appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W) as Joint Statutory Auditors of the Company for a period of 4 years i.e. to hold office from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company

Further, the Joint Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company for financial year 2018-19.

Directors' Responsibility Statement

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

(i) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Companyas at March 31, 2018 and of the profit and loss of the Company for the financial year ended March 31, 2018;

(iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a going concern basis;

(v) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively;

(vi) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The Company makes all efforts towards conservation of energy, protection of environment and ensuring safety.

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is as follows:

A. Health, Safety and Environment:

The Company aims to provide a safe and healthy workplace to our employees, visitors and contract workers and achieve high standards of environment protection. We are certified to the following:

Certificate No./ Standard	Description/Compliance/Requirement
ISO 9001:2015 Quality Management System	The Quality Management System of the Inducto Steels Limited has been audited and has been found to be in accordance with the requirements of ISO 9001:2015
ISO 14001:2015 Environmental Management System	The Environmental Management System of the Inducto Steels Limited has been audited and has been found to be in accordance with the requirements of ISO 14001:2015
OHSAS 18001:2007 Occupational Health and Safety Management System	The Occupational Health and Safety Management System of the Inducto Steels Limited has been audited and has been found to be in accordance with the requirements of OHSAS 18001:2007

B. Conservation of energy:

(i) `the steps taken or impact on conservation of energy

(ii) the steps taken by the Company for utilising alternate sources of energy;

In light of the global challenges concerning energy security, the Company considers energy management as one of the key components of its responsible business strategy. The Company recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has implemented various initiatives for the conservation of energy and all efforts are made to minimize energy costs. Company is engaged in Ship Breaking, trading in metal scrap, coals, graphite electrodes and other industrial inouts. No significant power consumption is required in ship breaking industry as major portion in production process consist of non mechanical processes. However, industrial gases are used in ship dismantling activities and the Company has taken various measures to control the consumption of fuel and energy.

(iii) the capital investment on energy conservation equipments;

The Company is taking adequate steps to conserve energy though no such capital investment has been made.

C. Technology absorption:

The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products. The Company's operations do not require significant absorption of technology. There has been no import of technology in FY 2017-18.

D. Foreign exchange earnings and Outgo:

(Rs. in lakhs)

Particulars	Current Year			Previous Year		
	INR	USD	EUR	INR	USD	EUR
Foreign Exchange Earnings	-	-	-	-	-	-
Foreign Exchange Outgo	0	0	0	1165.25	17.21	0

Vigil Mechanism

The Whistleblower Policy has been approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations which provides a formal mechanism to the employees, business associates and stakeholdersof the Company to, inter-alia, report any instances of financial irregularities, breach of code of conduct, abuse of authority, disclosure of financial/ price sensitive information, unethical / unfair actions concerning Company vendors/ suppliers, malafide manipulation of company data/records, actual or suspected fraud or discrimination to the Company's Code of Conduct in an anonymous manner.

The policy of vigil mechanism is available on the Company's website i.e. **www.hariyanagroup.com**.

Particulars of Employees

A) The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-18; and

b. Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, if any, for the Financial Year 2017-18:

Sr. No.	Name	Designation	Remuneration for the Financial Year 2017-18	Percentage Increase/ (Decrease) in remuneration in the Financial Year 2017-18 (%)	Ratio of Remuneration of each Director to Median Remuneration of Employees
1.	Ms. Arpita Doshi	Company Secretary	3.50 lakhs	Nil	-

c. Percentage increase in the median remuneration of employees in the financial year:

There is no increase in the remuneration of employees in the financial year and hence the information cannot be furnished.

d. Number of permanent employees on the rolls of Company: 4

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Save and except, the payment of remuneration to Company Secretary with no percentage increase in remuneration in the financial year, no remuneration is being paid to any Director or KMP of the Company. Hence, the information pertaining to percentage increase in remuneration cannot be provided.

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

It is hereby affirmed that the remuneration paid to:

- Directors, KMP and members of Senior Management is as per Remuneration Philosophy/Policy of the Company; and
- other employees of the Company is as per the Human Resource Philosophy of the Company.

B) The information required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Having regard to the provisions of Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company 21 days before the AGM and upto the date of the ensuing AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Familiarization Programme

The Company conducts Familiarization Programme for the Independent Directors to enable them to be familiarized with the Company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. They are provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole.

Further, when a new Director is inducted on the Board, they are provided with necessary documents/ brochures, reports, internal policies, strategy and such other operational information to enable them to familiarise with the Company's procedures and practices. Site visits to various plant locations are organised for the Independent Directors to enable them to understand and acquaint with the operations of the Company.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are made at the separate meetings of the Independent Directors from time to time.

The details of such familiarization programmes for Independent Directors are put up on the Company's website and can be accessed at **www.hariyanagroup.com**.

Sexual harassment of women at workplace

Your Company is committed towards providing a work environment that is professional and mature, free from animosity and one that reinforces our value of 'integrity' that includes respect for the individual. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace. This policy is applicable to all employees, irrespective of their level and it also includes 'Third Party Harassment' cases i.e. where sexual harassment is committed by any person who is not an employee of the Company. The said policy is available on the website of the Company i.e. **www.hariyanagroup.com**. Internal Complaints Committees have also been set up to redress complaints received regarding sexual harassment.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

Other Disclosures

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company additionally discloses that, during the year under review:

- there was no change in the nature of business of your Company;
- your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on March 31, 2018, there were no deposits which were unpaid or unclaimed and due for repayment, hence, there has been no default in repayment of deposits or payment of interest thereon;
- your Company has not issued any shares with differential voting rights;
- your Company has not issued any Sweat Equity Shares; and
- no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status operations of your Company in future.

It is further disclosed that:

- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous financial year.
- No Material changes and commitments have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report affecting the financial position of the Company.
- Your Company does not engage in Commodity hedging activities.

Corporate Governance

Your Company is committed to follow the best practices of Corporate Governance and the Board is responsible to ensure the same, from time to time.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the SEBI Listing Regulations, from time to time and the Statutory Auditors of the Company, vide their certificate dated May 30, 2018, have confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the SEBI Listing Regulations. The said certificate is annexed as **Annexure-IV** to this Report.

Further, a separate report on Corporate Governance forms part of this Annual Report.

Cautionary Statement

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in your Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which your Company conducts business and other factors such as litigation and your Company is not obliged to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise. The "Management's Discussion and Analysis" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's securities.

Acknowledgement

The Board of Directors would like to express their sincere gratitude for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors

For **Inducto Steels Limited**

Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**
Managing Director	Director
(DIN: 00034264)	(DIN: 00041853)

Date: May 30, 2018

Place: Mumbai

Annexure 1

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2018

[Pursuant to Section 92(3) of the Companies act, 2013 read with

[The Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9

I. REGISTRATION AND OTHER DETAILS:

CIN:-	L27100MH1988PLC194523
Registration Date:	29/11/1988
Name of the Company:	Inducto Steels Ltd.
Category / Sub-Category of the Company	Company Limited by Shares/ Non government company
Address of the Registered office and contact details:	156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai: 400021.
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	Unit-1, Luthra Ind. Premises,1st floor, 44 E Safed Pool, M. Vasanti Marg, Andheri-Kurla Road, Andheri(E), Mumbai-400072.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
a.	Trading in Metal Scrap, Coals, Aluminium Foil & Other Industrial Inouts	4662/4669	**0**
b.	Dismantling / Breaking of old and used ships	3830	**100**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
a	NIL	NIL	NIL	NIL

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at thebeginning of the year01/04/2017				No. of Shares held at the end of the year 31/03/2018				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. INDIAN									
(a). Individual	2777354	7400	2784754	69.320	2777354	7400	2784754	69.320	0
(b). Central Govt.		0				0			0
(c). State Govt(s).		0				0			0
(d). Bodies Corpp		0				0			0
(e). FIINS / BANKS		0				0			0
(f). Any Other		0				0			0
Sub-total (A) (1):-	**2777354**	**7400**	**2784754**	**69.32**	**2777354**	**7400**	**2784754**	**69.32**	**0**
(2). FOREIGN									
(a). Individual NRI / For Ind		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FII		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
Sub-total (A) (2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total shareholdingof Promoter (A) = (A)(1)+(A)(2)	**2777354**	**7400**	**2784754**	**69.320**	**2777354**	**7400**	**2784754**	**69.320**	**0**
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds		0				0			0.000
(b). Banks / FI		0				0			0.000
(c). Central Govt.		0				0			0.000
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIIs		0				0			0.000
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	54180	0	54180	1.349	65868	0	65868	1.640	0.291
(ii). Overseas		0				0			0.000
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	375140	52800	427940	10.653	366460	50800	417260	10.387	-0.266
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	720323	0	720323	17.931	718706	0	718706	17.890	-0.041
(c). Other (specify)									
Non Resident Indians	5236	0	5236	0.13	4738	0	4738	0.118	-0.012
Overseas Corporate Bodies		0				0			0
Foreign Nationals		0				0			0
Clearing Members	24821	0	24821	0.618	25928	0	25928	0.645	0.027
Trusts		0				0			0
Foreign Boodies - D R		0				0			0
Sub-total (B)(2):-	**1179700**	**52800**	**1232500**	**30.681**	**1181700**	**50800**	**1232500**	**30.68**	**-0.001**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1179700**	**52800**	**1232500**	**30.681**	**1181700**	**50800**	**1232500**	**30.680**	**-0.001**
C. Shares held by Custodian for GDRs & ADRs		**0**				**0**			**0.000**
Grand Total (A+B+C)	**3957054**	**60200**	**4017254**	**100.00**	**3959054**	**58200**	**4017254**	**100.00**	**-0.001**

(ii) Company : Inducto Steels Ltd. from 01-04-2017 to 31-03-2018
Shareholding of promoters

Sr.	Shareholder'sName of the year	Shareholding at the beginning theYear			Shareholding at the end of			No.
		No. of shares	% of total shares of the company	%of Shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the company	%of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	RAKESH SHANTISARUP RENIWAL	1489988	37.09	34.857	1489988	37.09	34.857	0
2	SWEETY R. RENIWAL	407745	10.15	0	407745	10.15	0	0
3	RAJEEV SHANTISARUP RENIWAL	337526	8.402	0	337526	8.402	0	0
4	RAJEEV RENIWAL HUF	193900	4.827	0	193900	4.827	0	0
5	SANJEEV RENIWAL HUF	186800	4.65	0.916	186800	4.65	0.916	0
6	LALITADEVI S RENIWAL	153375	3.818	1.568	153375	3.818	1.568	0
7	SHANTISARUP RENIWAL & SONS . HUF	12255	0.305	0	12255	0.305	0	0
8	SHANTISARUP R. RENIWAL	2665	0.066	0	2665	0.066	0	0
9	SANJEEV S. RENIWAL	500	0.012	0	500	0.012	0	0

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

Sr. No.	Shareholder's name	Shareholding at the begining of the year			Shareholding at the end of the year			
Sr .no	Name	No. of of shares at begining /end of the year	% of shares of the company	Date	Increase/ decrease of share-holding	Reason	No. of shares	% of total sharesof the company
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

Sr. No.	Name	No. of Shares at the beginning / end of the year	% of total Shares of the company	Date	Increase/ Decresee in shareholding	Reason	No. of Shares	% of total Shares of the Company
1	BABITA SANDIP AGARWAL	203100	5.056	01-04-2017				
	-Closing Balance			31-03-2018		No Change	203100	5.056
2	JAYSHREEDEVI TRILOKCHAND AGARWAL	188400	4.69	01-04-2017				
	-Closing Balance			31-03-2018		No Change	188400	4.69
3	DIPAK KANAYALAL SHAH	83000	2.066	01-04-2017				
	-Closing Balance			31-03-2018		No Change	83000	2.066
4	INDIRA SHIVSHANKAR AGARWAL	62055	1.545	01-04-2017				
	-Closing Balance			31-03-2018		No Change	62055	1.545
5	KAMALA SUNIL GADEKAR	60175	1.498	01-04-2017				
				19-05-2017	50	Buy	60225	1.499
				16-06-2017	50	Buy	60275	1.
				30-09-2017	50	Buy	60325	1.502
	-Closing Balance			31-03-2018			60325	1.502
6	SHARVARI AGRAWAL	60000	1.494	01-04-2017				
	-Closing Balance			31-03-2018		No Change	60000	1.494
7	SATYA PRAKASH MITTAL (HUF)	47769	1.189	01-04-2017				
				21-04-2017	-197	Sold	47572	1.184
				28-04-2017	-632	Sold	46940	1.168
				12-05-2017	-1579	Sold	45361	1.129
				02-06-2017	-70	Sold	45291	1.127
				09-06-2017	-877	Sold	44414	1.106
				16-06-2017	-2830	Sold	41584	1.035
				23-06-2017	-15	Sold	41569	1.035
				14-07-2017	-984	Sold	40585	1.01
				21-07-2017	-890	Sold	39695	0.988
				15-09-2017	-1520	Sold	38175	0.95
				22-09-2017	-4024	Sold	34151	0.85
				30-09-2017	-1917	Sold	32234	0.802
				03-11-2017	20	Buy	32254	0.803
				08-12-2017	190	Buy	32444	0.808
				12-01-2018	-1073	Sold	31371	0.781
				19-01-2018	65	Buy	31436	0.783
				26-01-2018	-10	Sold	31426	0.782
	-Closing Balance			31-03-2018			31426	0.782
8	PRABHUDAS LILLADHER PRIVATE LIMITED	23053	0.574	01-04-2017				
	-Closing Balance			31-03-2018		No Change	23053	0.574
9	MANAN TRADING COMPANY PRIVATE LIMITED	22897	0.57	01-04-2017				
				08-12-2017	-2000	Sold	20897	0.52
	-Closing Balance			31-03-2018			20897	0.52
10	JITENDRA DALICHAND BADANI	15824	0.394	01-04-2017				
				16-03-2018	200	Buy	16024	0.399
	-Closing Balance			31-03-2018			16024	0.399

Shareholding of Directors and Key Managerial Personnel: As per point E

		Shareholding at the begining of the year			Cumulative Shareholding during the year			
Sr .no	Name	No. of of shares at begining /end of the year	% of shares of the company	Date	Increase/ decrease of share-holding	Reason	No. of shares	% of total of the company
1								

V. INDEBTEDNESS

Indebtness of the Company including interest outstanding/accured but not due for payment

	Secured Loans excluding deposits	UnsecuredLoans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	-	-	0
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0	-	-	0
Change in Indebtedness during the financial year				
• Addition	-	-		-
• Reduction	0	-		0
Net Change	0	-	-	0
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. no.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
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		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:: Nil

Sr. no.	Particulars of Remuneration	Name of Director/Manager	Total Amount
1.	Independent Directors		
	•Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
	2. Other Non-Executive Directors		
	•Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary		CFO	Total
		Radha Sharma (resigned w.e.f. 1-05-2017)	Arpita Doshi (appointedw.e.f. 02-05-2017)		
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,000	350,000		385,000
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	0	0		0
	(c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	0	0		-
2	Stock Option	0	0		0
3	Sweat Equity	0	0		0
4	Commission- as % of profit- others, specify	0	0		-
	Others, please specif	0	0		0
	Total	35,000	350,000		385,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure-II

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and enhancing investor confidence. Our goal is to promote and protect the long-term interest of all stakeholders, and to that end, our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

The governance philosophy of your Company rests on five basic tenets viz. Board's accountability to the Company and the Stakeholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment to all Stakeholders, as well as superior transparency and timely disclosure.

In line with the above philosophy, your Company continuously endeavours for excellence and focuses on enhancement of long-term Stakeholders' value through adoption of and adherence with the best governance practices, in true spirit at all times.

Following principles supplement the core of the Company's philosophy on Corporate Governance:

- **TRANSPARENCY** in all decision making processes;
- High levels of **DISCLOSURES**;
- High standards of **ETHICS**;
- Regular **REVIEW** of processes and management systems for improvement; and
- **APPROPRIATE CONTROL SYSTEM** to enable the Board to efficiently conduct the business and discharge its responsibilities to its Stakeholders.

During the year under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

Moreover, the Company undertakes to take an audit of its secretarial records and documents to ensure timely compliance with applicable laws to the Company.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws.

Also, your Company shall ensure that its governance framework incorporates the amendments introduced by the Securities and Exchange Board of India ("SEBI") in the SEBI Listing Regulations, pursuant to the recommendations made by the Kotak Committee on Corporate Governance and the same are complied with, on or before their effective date.

Your Company presents this report, prepared in terms of the SEBI Listing Regulations (including the amendments to the extent applicable), enumerating the current Corporate Governance systems and processes at the Company.

BOARD OF DIRECTORS

The Board of Directors of your Company ("Board") is at the core of the Corporate Governance system of the Company. The Board is responsible for and committed to sound principles of Corporate Governance in the

Company and plays a crucial role in overseeing how the Management serves the short-term & long-term interests of Members and other Stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

Committees of the Board handling specific responsibilities mentioned under the applicable laws viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution of diverse matters.

Also, while discharging its fiduciary duties and in ensuring effective functioning of your Company, the Board is duly supported by the Managing Director, Key Managerial Personnel ("KMP") and the Senior Management. It operates within the framework of well-defined responsibility matrix, which enables it to oversee how the Management of the Company serves and protects the long-term interests of all the Members and other Stakeholders of the Company.

A. Composition of Board of Directors

An independent and well-informed Board goes a long way in protecting the Stakeholders' interest and simultaneously maximise long-term corporate values.

In compliance with the requirements under the relevant provisions of the Act & SEBI Listing Regulations and with a strong belief that the Board needs to have an appropriate blend of Directors to maintain its diversity and independence, the Board of your Company has an optimum combination of such number of Executive, Non-Executive and Independent Directors, including a Woman Director.

The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements and it separates the roles of governance and management.

The composition of the Board is in conformity with Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations.

As on March 31, 2018, your Company's Board comprises 4 Directors, categorised as below:

Category	Name of the Director	DIN
Executive Director	Mr. Rajeev Reniwal	00034264
Non-Executive Director	Mrs. Sweety Reniwal	00041853
Independent Non-Executive Director	Mr. Yogesh Thakkar	00043588
	Mr. Bhushanlal Behl	03023697

Mrs. Sweety Reniwal retires by rotation in the ensuing 30th Annual General Meeting of the Company. Details of Directors retiring or being appointed/ re-appointed form part of the Notice of the said AGM.

The important and key decisions are taken after due discussion and deliberation with the Board and it is ensured that the relevant information prescribed to be provided under the SEBI Listing Regulations along with such other information, as may be deemed necessary for effective decision making, is presented to the Board.

In terms of the provisions of Section 184 of the Act and Regulation 26 of the SEBI Listing Regulations, the Directors present necessary disclosures regarding the positions held by them on the Board and/or Committees of other public and/or private companies, from time to time. On basis of such disclosures, it is confirmed that as on the date of this Report, none of the Directors of your Company:-

a) hold directorships in more than 10 public limited companies (listed or unlisted); and

b) is a member of more than 10 Committees (considering only Audit Committee and Stakeholders Relationship Committee) or Chairperson of more than 5 Committees across all the public companies (listed or unlisted) in which he/ she is a Director

The details of each Director alongwith the number of Directorships/ Committee Memberships/ Chairmanships and their shareholding in the Company as on March 31, 2018, alongwith the date of joining the Board, are provided hereinbelow

Name of the Director	Date of joining	Shareholding in the Company	Directorships in other Companies(1)	No. of other Companies Board Committees(2) in which Chairperson/ Member	
				Chairperson	Member
Mr. Rajeev Reniwal	01/04/1993	3,37,526	Nil	Nil	Nil
Mrs. Sweety Reniwal	09/03/2002	4,07,745	Nil	Nil	Nil
Mr. Yogesh Thakkar	22/03/2004	0	Nil	Nil	Nil
Mr. Bhushanlal Behl	12/04/2010	0	Nil	Nil	Nil

Notes:

(1) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, total number of Directorships exclude directorships in the Company, Foreign Companies, Private Limited Companies, Companies formed under Section 25 of the erstwhile Companies Act, 1956 and under Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairmanship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

B. Details of Meetings of the Board of Directors and Annual General Meeting held during the period under review, along with attendance of Directors at each meeting:

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company. The meetings of the Board are pre-scheduled and a tentative annual calendar of the meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees.

The notice and detailed agenda alongwith the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board also reviews the performance of the Company vis-à-vis the budgets/ targets.

Video-conferencing facilities are made available to facilitate Directors travelling abroad or present at other locations, in case they wish to participate in the meetings. The same is conducted in compliance with the applicable laws.

The Board meets atleast 4 times in a year (one meeting in every calendar quarter) and the maximum gap between any two consecutive meetings is less than 120 days, as stipulated under Section 173(1) of the Act, Regulation 17(2)of the SEBI Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

Additional meetings are held as and when necessary.

The Board of your Company met 10 (ten) times during the year under review i.e. on April 1, 2017, April 3, 2017, April 12, 2017, May 02, 2017, May 30, 2017, September 12, 2017, October 10, 2017, December 14, 2017, February 12, 2018, and March 27, 2018 (each meeting being consecutively numbered from 1 to 10). The details of attendance of Directors at each such meeting of the Board and at the 29th Annual General Meeting of the Company held on September 30, 2017, are provided hereinbelow:

Meetings of the Board for the Financial Year	Name of the Director			
	Mr. Rajeev Reniwal	Mrs. Sweety Reniwal Held during the tenure	Mr. Yogesh Thakkar	Mr. Bhushanlal Behl
1	P	P	A	P
2	P	P	A	P
3	P	P	A	P
4	P	P	A	P
5	P	P	P	P
6	P	P	P	P
7	P	P	P	P
8	P	P	P	P
9	P	P	P	P
10	P	P	P	P
29th Annual General Meeting	P	P	P	P

*P: Present
A: Leave of Absence

C. Independent Directors

All Independent Directors on the Board are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In compliance with the SEBI Listing Regulations, the Directors of the Company do not serve as an Independent Director in more than seven listed companies.

The Independent Directors on the Board of your Company are experienced, competent and highly respected individuals in their respective fields, which brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

Further, as provided in the Act, a formal letter of appointment has been issued to the Independent Directors and the same is also disclosed on website of the Company i.e. www.hariyanagroup.com.

Separate meeting of Independent Directors

The Independent Directors met once during the year, on March 31, 2018, without the presence of Executive Directors or Management representatives, inter alia, to discuss the performance of Non-Independent Directors &the Board as a whole and to assess the quality, quantity & timeliness of flow of information between the Management of the Company and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for the meeting.

D. Appointment and Tenure

The Directors of the Company are appointed/ re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members at the Annual General Meeting (“AGM”). In accordance with the Articles of Association of the Company, all Directors, except the Managing Director and Independent Directors of the Company, are liable to retire by rotation at the AGM each year and, if eligible, offer themselves for re-election. The Executive Directors on the Board have been appointed in terms of the provisions of the Act and serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of the Independent Directors, the Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and the SEBI Listing Regulations.

E. Board Induction, Training and Familiarisation

In terms of the provisions of Regulation 25 of the SEBI Listing Regulations, your Company has framed a Familiarisation Programme for Independent Directors of the Company, structured into two parts i.e. 'Induction' and 'Ongoing Interaction'. This Programme aims to provide insights into the business of the Company, to enable the Independent Directors to understand their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, its business in depth and contribute significantly to the Company.

At the time of appointing an Independent Director, a formal letter of appointment is given to him/ her, which inter alia explains the role, function, duties and responsibilities expected from him/ her as an Independent Director of the Company. The Directors are also provided with necessary documents, reports and internal policies of the Company, to enable them to familiarise with the Company's procedures and practices. The compliances applicable to them, in terms of the provisions of the Act, SEBI Listing Regulations and other applicable laws, are explained to them and an affirmation is obtained from them, in that regard.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses & operations, strategy, risk management framework, industry & regulatory updates and other relevant matters.

These presentations enable one-on-one interaction between the Independent Directors and the Senior Management of the Company/ Statutory Auditor/ Internal Auditor of the Company. Additionally, visits to the divisions and plant locations of the Company etc. are also arranged to apprise them of the actual operations of the Company.

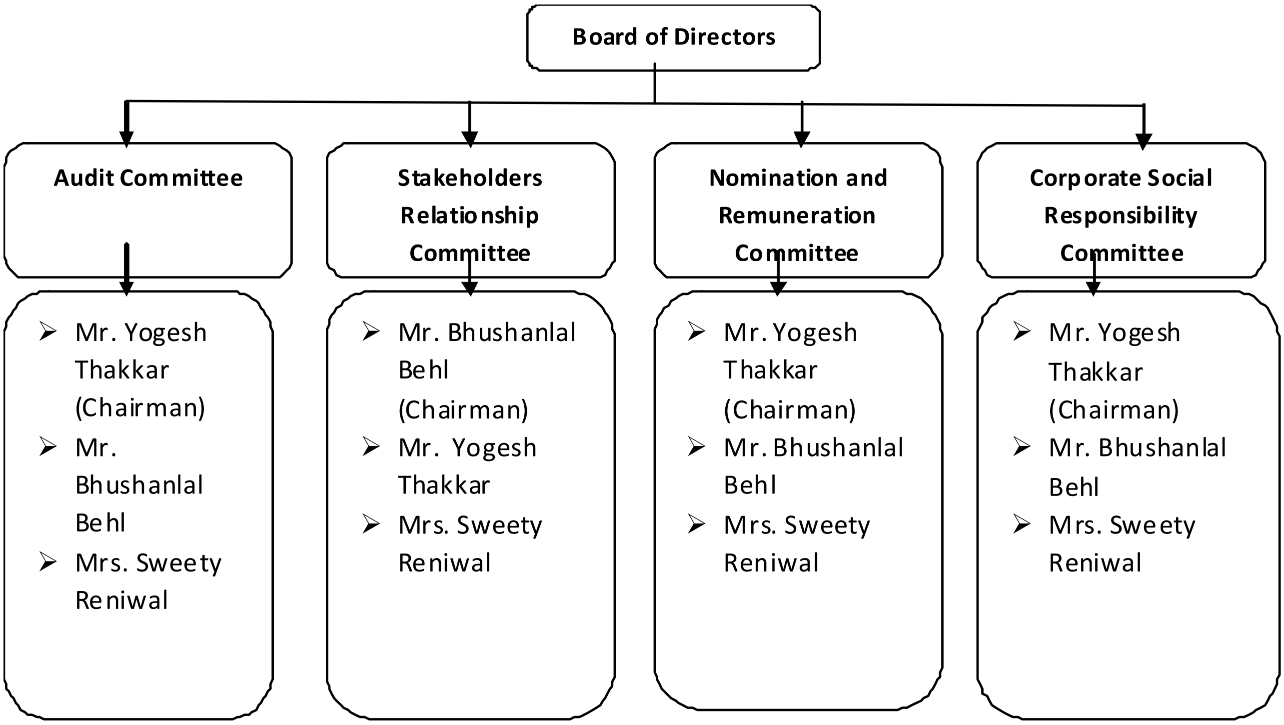
The details of the Familiarisation Programmes for Independent Directors are also available on the website of the Company i.e. www.hariyanagroup.com.

Committees of the Board

The Committees of the Board ("Committees") play a crucial role in the governance structure of the Company. They have been constituted under the formal approval of the Board to carry out clearly defined roles. Members of the Committees possess expertise in relevant areas and functions, which enables better handling and expedient resolution of diverse matters. Terms of reference of all the committees are laid down in line with the requirements of the Act and the SEBI Listing Regulations, to deal with specific areas/ activities which concern the Company and need a closer review and to carry out clearly defined roles.

The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. There is seamless flow of information between the Board and its Committees, as the Committees report their recommendations and opinions to the Board, which in turn supervises the execution of respective responsibilities by the Committees. The minutes of the meetings of all the Committees are placed before the Board for its review.

Composition of Committees as on March 31, 2018



Ms. Arpita Doshi, Company Secretary of your Company, acts as the Secretary of all the Committees.

A. Audit Committee

Your Company has a qualified and independent Audit Committee, which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. All the members of the Audit Committee are financially literate. The Committee is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process.

(i) Composition:

The Committee comprises 3 Directors as its Members, all of which are Non-Executive Directors and amongst them 2 Independent Directors

Mr. Yogesh Thakkar, Independent Director, is the Chairman of the Audit Committee.

(ii) Brief Description of Terms of Reference:

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

In terms of the applicable provisions of the Act and in terms of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the Audit Committee inter alia cover the following matters:

a. **Financial Matters:**

- Overseeing the Company's financial reporting process and the disclosure of financial information to ensure that the Financial Statements are correct, sufficient and credible;
- Reviewing with the Management, the Quarterly Unaudited Financial Statements and Annual Audited Financial Statements alongwith Limited Review Report/ Auditor's Report thereon before submission to the Board for the approval. Reviewing of Annual Financial Statements inter alia including reviewing changes in Accounting Policies, if any, major accounting entries involving estimates, significant adjustments made in Financial Statements, qualifications in draft Audit Report, if any etc.;
- Reviewing Management Discussion and Analysis of financial condition and results of operations; and
- Scrutinising the inter-corporate loans and investments.

b. **Internal Controls, Audit and Auditors:**

- Recommending the terms of appointment/ re-appointment, remuneration and any other terms and conditions pertaining to the appointment/ re-appointment, if required, replacement or removal of auditors, fixation of statutory audit fees and approval of payment for any other services rendered by the Statutory Auditors, as permitted under applicable laws;
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
- Reviewing the adequacy of internal audit function and internal control systems including internal financial controls;
- Evaluating of Internal Financial Controls, Risk Management Systems of the Company;
- Discussing with the Internal Auditors of any significant findings and follow-up thereon; and
- Reviewing significant audit findings, if any, from the statutory and internal audits.

c. **Other Matters:**

- Approving all Related Party Transactions;
- Approving appointment of Chief Financial Officer of the Company; and
- Reviewing the functioning of Vigil/ Whistle Blower Mechanism.

(iii) Meetings and Attendance during the year:

The Committee met 6 times during the year under review i.e. on May 30, 2017, September 12, 2017, October 10, 2017, December 14, 2017, February 12, 2018 and March 27, 2018 (each meeting being consecutively numbered from 1 to 6), to deliberate on various matters.

The details of attendance of the Members of the Committee at each meeting, are provided hereinbelow:

Name of the Member	**Meetings of Committee for the Financial Year 2017-18**						
	Held during the tenure	**1**	**2**	**3**	**4**	**5**	**6**
Mr. Yogesh Thakkar	6	P	P	P	P	P	P
Mr. Bhushanlal Behl	6	P	P	P	P	P	P
Mrs. Sweety Reniwal	6	P	P	P	P	P	P

*P: Present
A: Leave of Absence

Chief Financial Officer, representatives of the Statutory Auditors and Internal Auditors of your Company are also invited to the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Committee meeting from time to time, for providing such information as may be necessary.

B. Nomination and Remuneration Committee

The Board of your Company has constituted a Nomination and Remuneration Committee ("NARC") in terms of the provisions of Section 178 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

The Committee is inter alia entrusted with the responsibility of formulating criteria for determining the qualifications, positive attributes and independence of the present and proposed Directors as well as recommending a policy to the Board relating to the remuneration of Directors, KMP and other employees. It also specifies the methodology for effective evaluation of performance of the Board, its Committees and individual Directors.

(i) Composition:

The Committee comprises 3 Directors as its Members, all of which are Non-Executive Directors and amongst them 2 Independent Directors.

Mr. Yogesh Thakkar, Independent Director, is the Chairman of the Audit Committee.

(ii) Brief Description of Terms of Reference:

The broad terms of reference of the NARC, as approved by the Board in terms of the Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, inter alia, include the following:

a. Identifying persons who are qualified to become Directors and who may be appointed at Senior Management positions in accordance with the criteria laid down and recommending to the Board their appointment and removal;

b. Recommending the remuneration/ revision in remuneration of Managing Director and Executive Directors to the Board for approval and review;

c. Formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy relating to the remuneration for the Directors, KMP and other employees;

d. Formulating criteria for evaluation of Board, its Committees and each Director and reviewing its implementation and compliance;

e. Devising a policy on Board diversity; and

f. Recommending to the Board the extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

(iii) Meetings and Attendance during the year:

NARC met 2 times during the year under review i.e. on May 02, 2017 and March 27, 2018 (each meeting being consecutively numbered as 1 and 2), to deliberate on various matters.

The details of attendance of Members of the Committee at each meeting are provided hereinbelow:

Name of the Member	Meetings of Committee for the Financial Year 2017-18		
	Held duringthe tenure	1	2
Mr. Yogesh Thakkar	2	A	P
Mr. Bhushanlal Behl	2	P	P
Mrs. Sweety Reniwal	2	P	P

(iv) Performance Evaluation Criteria for Independent Directors:

The performance of the Independent Directors of the Company is evaluated on the following criteria's, more particularly as to how an Independent Director:

- Invests time in understanding the Company and its unique requirements;
- Brings in external knowledge and perspective to the table for discussions at the meetings;
- Expresses his/ her views on the issues discussed at the Board; and
- Keeps himself/ herself current on areas and issues that are likely to be discussed at the Board level.

(v) Nomination Policy and Remuneration Philosophy/ Policy:

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board of your Company had, on recommendation of the NARC, adopted a Nomination Policy, which inter alia enumerates the Company's policy on appointment of Directors and KMP. Further, the Board has, on recommendation of NARC, also adopted a policy entailing Remuneration Philosophy, which covers remuneration philosophy covering the Directors, KMP and employees included in Senior Management of the Company.

Both the aforesaid policies are available on the website of the Company i.e. www.hariyanagroup.com.

The Company's remuneration policy is intended to attract and retain the individuals in order to achieve the Company's objective. Further, the Company has a system where all the Directors and employees included in the Senior Management of the Company are required to disclose all pecuniary relationships or transactions with the Company. No severance fees are paid to the Directors of the Company.

a. Remuneration to Non-Executive Directors:

The Non-Executive Directors/ Independent Directors were not paid any remuneration during the year under review.

The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

b. Remuneration to Executive Directors:

In terms of the provisions of the Act and in line with the Nomination Policy and Remuneration Philosophy/ Policy of the Company, the appointment and remuneration of Executive Directors (i.e. Managing Director, in case of the Company) is approved by the Board and the Members of the Company, on recommendation of the NARC. The appointment of Executive Directors is subject to termination by either party by giving one months' notice of such termination in writing by either side or salary in lieu thereof or by mutual consent. The remuneration paid to the Managing Director comprises salary, allowances, perquisites, stock options, performance linked income/ bonus and other Retirement Benefit Funds, as approved by the Members at the Annual General Meeting.

Annual increments are linked to performance and are decided by the NARC and recommended to the Board for approval thereof. The Performance Review System is primarily based on competencies and values. The Company closely monitors growth and development of top talent in the Company to align personal aspirations with the organizational goals and objectives.

c. Stock Options:

The Company does not grant any Employee Stock Option Scheme.

C. Stakeholders Relationship Committee

The Board of your Company has constituted a Stakeholders' Relationship Committee ("SRC") in terms of the provisions of Section 178 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

The Committee is inter alia entrusted with the responsibility of considering and resolving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, if any.

(i) Composition:

The Committee comprises 3 Directors as its Members, all of which are Non-Executive Directors and amongst them 2 Independent Directors

Mr. Bhushanlal Behl, Independent Director, is the Chairman of the Audit Committee.

(ii) Brief Description of Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 20(4) read with Part D of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the SRC inter alia cover the following matters:

- Reviewing of complaints relating to transfer of shares, transmission of shares, issue of duplicate share certificates, non-receipt of Annual Report, non-receipt of declared dividends and any other shareholder related queries/ complaints;
- Reviewing of status of requests i.e., processing of complaints within statutory timelines;
- Approving transfer and transmission of shares, issue of duplicate share certificates, etc.; and
- Overseeing the performance of Registrar and Transfer Agent.

(iii) Meetings and Attendance during the year:

SRC met 4 times during the year under review i.e. on May 30, 2017, September 12, 2017, December 14, 2017 and February 12, 2018, to deliberate on various matters with respect to Stakeholders of the Company.

The details of attendance of Members of the Committee at each meeting are provided hereinbelow

Name of the Member	Meetings of Committee for the Financial Year 2017-18				
	Held duringthe tenure	1	2	3	4
Mr. Yogesh Thakkar	4	P	P	P	P
Mr. Bhushanlal Behl	4	P	P	P	P
Mrs. Sweety Reniwal	4	P	P	P	P

(iv) Shareholders' complaints:

During the year under review, your Company did not receive any complaints from the Shareholders

D. Corporate Social Responsibility Committee

The Board of your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") in terms of the provisions of Section 135 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 135 of the Act.

The Committee is inter alia entrusted with the responsibility of monitoring and implementation of the CSR projects/ programmes/ activities of your Company and also for approving the annual CSR Budget, implementation of CSR projects and other related activities.

(i) Composition:

The Committee comprises 3 Directors as its Members, all of which are Non-Executive Directors and amongst them 2 Independent Directors

Mr. Yogesh Thakkar, Independent Director, is the Chairman of the CSR Committee.

(ii) Brief Description of Terms of Reference:

The scope and functions of the CSR Committee are in accordance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and terms of reference of CSR Committee inter alia includes following:

- Reviewing and finalising the annual CSR Budget of the Company (including any specific project driven budgets) for undertaking the CSR activities for and on behalf of the Company and thereafter to recommend the said CSR Budget to the Board for its approval and to implement the same post approval of the Board;
- Authorising any officer and/or other person for and on behalf of the Company to form collaborative partnerships with the Government, the District or local authorities or agencies, village panchayats, NGOs and other like-minded Stakeholders, so as to enable the Company to widen its CSR reach and also to leverage upon their collective expertise, wisdom and experience which such partnerships shall bring to the table and taking all further actions and steps and doing all acts, deeds and things, which may be required to be done and performed from time to time in above connections; and
- Performing such other acts, deeds, things and powers as may be delegated to the Committee by the Board from time to time.

(iii) Meetings and Attendance:

CSR Committee met on March 27, 2018, to review expenditure on corporate social responsibility (CSR) activities for the Financial Year 2017-18; to approve the Annual Report on the CSR activities of the Company for the year under review and to review and approve the plan and budget for the CSR activities of the Company for the Financial Year 2018-19. All the Members of the Committee were physically present at the meeting.

GENERAL BODY MEETINGS

A. Annual General Meetings

Details of the last 3 AGMs of the Members of the Company alongwith the details of Special Resolutions passed at each such AGM, are tabled hereinbelow:

Financial year	AGM	Date	Location	Time	Particulars of Special Resolution(s) passed
2014-15	27TH	September 30, 2015	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	10.00 a.m.	None
2015-16	28TH	September 30, 2016	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021	10.00 a.m.	None
2016-17	29TH	September 30, 2017	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	10.30 a.m.	None

B. Postal Ballot

During the year under review, no resolution was passed through postal ballot.

MEANS OF COMMUNICATION

The quarterly/ half yearly/ annual results ("said results") alongwith the Limited Review/ Auditor's Report thereon are filed with the BSE Limited (referred to as "Stock Exchange") at its electronic platform i.e. BSE Corporate Compliance & Listing Centre, so as to enable it to display the same on its website. The said results are simultaneously uploaded on the website of the Company i.e. www.hariyanagroup.com, for the ease of reference of the Members of the Company. The aforesaid results are also published in "Free Press Journal" and "Navshakti" (a regional daily newspaper published from Mumbai) within the stipulated timelines.

A separate dedicated "Investors section", on the website of the Company, gives information on the aforesaid results, shareholding pattern and other relevant information of interest to the investors/ public.

In addition to the above, the Company has designated E-mail ID viz. contact@hariyanagroup.com, for Investor Relations and Shareholders assistance and the same is prominently displayed on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

The Company has provided the details required under this as a separate section on "General Shareholder Information", which forms a part of this Annual Report.

OTHER DISCLOSURES

a. **Details of materially significant related party transactions that may have potential conflict with the interests of the Company at large**

All the Related Party Transactions ("RPTs") entered into by your Company, during the Financial Year 2017-18, were at arm's length and in the ordinary course of business of the Company. All such transactions had prior approval of the Audit Committee and the Board.

However, there were no material significant RPTs that had/ may have potential conflict with the interests of your Company at large.

b. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

Your Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and Stock Exchange. Consequently, there has been no instance of noncompliance with any legal requirements and hence, no penalties or strictures are imposed on your Company by SEBI or the Stock Exchange or any statutory authority on any matter related to the capital markets during the last 3 years.

c. **Vigil Mechanism/ Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee**

Your Company has in place a Vigil Mechanism/ Whistle Blower Policy which facilitates for direct access to the Management and the Audit Committee of the Board to all Stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism provides adequate safeguards against any victimisation of the persons who use this mechanism. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

Also, the Company has adopted "Policy for Prevention of Sexual Harassment at Workplace". This ensures a work environment that is professional and mature, free from animosity and one that reinforces Company's value of integrity, which includes respect for the individual.

d. Other Policies, Programmes and Codes of the Company

(i) Corporate Social Responsibility Policy:

In terms of the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted Corporate Social Responsibility policy having the following scope:

i. Planning project or programmes which a Company plans to undertake falling within the purview of Schedule VII of the Act; and

ii. Monitoring process of such project or programmes.

(ii) Policy on Related Party Transactions:

In terms of the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has framed a Policy on RPTs to regulate transactions of the Company with its related parties (as defined and identified under the Act, SEBI Listing Regulations), to ensure high standards of Corporate Governance while dealing with related parties and also to ensure optimum compliance with applicable laws prescribed for RPTs. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(iii) Code of Conduct for Trading in Listed or Proposed to be Listed Securities of Inducto Steels Limited:

This document explains the Code to be observed by all the Connected Persons of your Company as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time. The Company has revised its Code of Conduct for Trading in Listed or Proposed to be Listed Securities of the Company on February 12, 2018. The said code is in compliance with the Listing Regulations.

The objective of this Code is to communicate to all the Connected Persons, the Code related to trading in listed or proposed to be listed securities of the Company. It is intended to serve as a guideline to all persons connected with the Company, which they should imbibe and practice, both in letter and spirit, while trading in listed or proposed to be listed securities of the Company.

(iv) Code of Conduct for Board Members and Senior Management of Inducto Steels Limited:

This Code of Conduct has been framed and adopted by your Company in compliance with the provisions of Regulation 17 of the SEBI Listing Regulations.

The Code incorporates the duties of Independent Directors as laid down in the Act and also helps the Board Members and Senior Managers to observe the highest standards of ethical conduct along with integrity and to work to the best of their ability and judgement.

(v) Policy on Preservation of Documents:

In terms of the provisions of Regulation 9 of the SEBI Listing Regulations, your Company has adopted this policy for preservation of documents.

This policy contains guidelines for identifying Documents (as defined under the SEBI Listing Regulations) that need to be maintained, specifies the period of preservation of such Documents and its destruction/disposal. This policy aims to provide efficient and systematic control on the maintenance, periodicity and destruction of business related Documents.

(vi) Policy for Determining of Material Subsidiary Companies:

Your Company does not have any Subsidiary as on the date of this report and accordingly, it does not have any policy for determining the “Material Subsidiary”.

(vii) Policy for Determination of Materiality of Information or Event:

In terms of the provisions of Regulation 30 of the SEBI Listing Regulations, your Company has adopted this policy for determination of materiality of information or event for facilitating prompt disclosure of material price sensitive information to the Stock Exchange(s) in compliance with the provisions of the SEBI Listing Regulations. This policy acts as a guidance for determining materiality of such price sensitive information and with the objective to ensure prompt disclosure of material price sensitive information/ event to the Stock Exchange, where the securities of the Company are listed, so that present and potential investors are able to take informed decision relating to their investment in your Company and to avoid creation of false market in the securities of the Company. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(viii) Policy for Archival of Documents:

In terms of the provisions of Regulation 30 of the SEBI Listing Regulations, your Company has adopted this Policy for the archival of documents of the Company, to comply with the provisions of the SEBI Listing Regulations. The policy provides that beyond the Mandatory Hosting Period (i.e. 5 years from the date of each disclosure on the website of your Company), the disclosed information shall be archived for such other additional period as may be required considering the requirement of various statutes, law, regulations etc. and other legal and administrative aspects. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(ix) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

This Code of Conduct has been framed and adopted by the Company in compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 “SEBI PIT Regulations”, to adhere to each of the Principles of Fair Disclosure for the purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as set out in Schedule A to the SEBI PIT Regulations.

e. Commodity Price Risk and Commodity Hedging Activities

Your Company does not engage in Commodity hedging activities.

f. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

In addition to the same, your Company also strives to adhere and comply with the following discretionary requirement specified under Regulation 27(1) and Part E of the Schedule II of the SEBI Listing Regulations, to the extent applicable:

(i) Reporting of Internal Auditor: The Internal Auditor of your Company directly reports to the Audit Committee on functional matters.

g. Disclosure of Accounting Treatment

The Company has followed all applicable and relevant Accounting Standards while preparing the Financial Statements.

h. Proceeds from Public Issues, Right Issues, Preferential Issues, etc.

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues, etc. and hence, there are no unutilised issue proceeds during the year under review.

i. Management

The Management Discussion and Analysis is prepared in accordance with the requirements laid out in Regulation 34 read with Section B of Schedule V of the SEBI Listing Regulations and forms part of the Report of the Board of Directors.

No material transaction has been entered into by your Company with the Promoters, Directors or the Management or relatives, etc. that may have a potential conflict with interests of the Company.

j. Shareholders

According to the Articles of Association, one-third of the Directors retire by rotation and if eligible, seek re-appointment at the AGM. Accordingly, Mrs. Sweety Reniwal will retire in the ensuing 30thAGM of the Company and is eligible for re-appointment. Accordingly the Board has recommended her re-appointment in the said AGM. The detailed profile of Mrs. Sweety Reniwal is provided in the notice convening the said AGM.

SUBSIDIARY COMPANIES

As on March 31, 2018, your Company did not have any subsidiary.

CEO/ CFO CERTIFICATION

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Rajeev Reniwal, Managing Director has reviewed the Audited Financial Results and Cash Flow Statements for the Financial Year ended March 31, 2018 and accordingly has provided a certificate, which is enclosed separately at the end of this Report.

REPORT ON CORPORATE GOVERNANCE

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the Bombay Stock Exchange and the same is available on its website. The said report is also available on the website of the Company i.e. www.hariyanagroup.com.

The Compliance Certificate received from the Statutory Auditors i.e. M/s. P.D. Goplani& Associates, Chartered Accountants regarding compliance of Corporate Governance requirements is annexed as **Annexure-IV** to the Report of the Board of Directors.

Further, your Company has complied with the Corporate Government requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and the same has been disclosed in this Report.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors
Inducto Steels Limited
Mumbai

I have reviewed Audited Financial Statements and the cash flow statement of **INDUCTO STEELS LIMITED** ('Company') for the year ended March 31, 2018 and that to the best of my knowledge and belief, I state that;

1. (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.

2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2018 which are fraudulent, illegal or violate the Company's code of conduct.

3. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of 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 I am aware and steps taken or propose to be taken for rectifying these deficiencies.

4. I have indicated to the auditors and the Audit committee

   i. significant changes, if any, in internal control over financial reporting during the Financial Year ended on March 31, 2018;

   ii. significant changes, if any, in accounting policies made during the Financial Year ended on March 31, 2018 and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which I 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.

Sd/-
Rajeev Shantisarup Reniwal
Managing Director

Place: Mumbai
Date: May 30, 2018

DECLARATION

As provided under the provisions of Schedule II and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended March 31, 2018.

Sd/-
Rajeev Shantisarup Reniwal
Managing Director

Place: Mumbai
Date: May 30, 2018

GENERAL SHAREHOLDER INFORMATION

In terms of the provisions of Point No. 9 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), General Information of your Company for reference of the Shareholders is provided as under:

(i) Thirtieth Annual General Meeting:

Thirtieth Annual General Meeting(Day, Date, Time and Venue)	Saturday, September 29, 2018 at 10.30 a.m.156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Book Closure Date	Sunday, September 23, 2018 to Saturday, September 29, 2018 (both days inclusive)
Cut-off date for e-voting	Saturday, September 22, 2018

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/ re-appointment at Annual General Meeting (“AGM”) are given in the Annexure to the Notice of this AGM.

(i) Financial Year:

Your Company follows April-March as the Financial Year.

Calendar of the Financial Year ended on March 31, 2018:

The meetings of Board of Directors for approval of quarterly/ half-yearly/ annual financial results for the Financial Year ended on March 31, 2018, were held on the following dates:

Sr. No.	Particulars of the Quarter	Date of Meetings
1.	Results for the quarter ended June 30, 2017	September 12, 2017
2.	Results for the quarter and six months ended September 30, 2017	December 14, 2017
3.	Results for the quarter and nine months ended December 31, 2017	February 12, 2018
4.	Results for the quarter and year ended March 31, 2018	May 30, 2018

Tentative calendar for the Financial Year ending March 31, 2019:

The tentative months for the quarterly meetings of the Board of Directors for consideration of quarterly/ half-yearly/ annual financial results for the Financial Year ending March 31, 2019, are as under:

Sr. No.	Particulars of the Quarter	Tentative Months
1.	Results for the quarter ended June 30, 2018	July/ August, 2018
2.	Results for the quarter and six months ended September 30, 2018	October/ November, 2018
3.	Results for the quarter and nine months ended December 31, 2018	January/ February, 2019
4.	Results for the quarter and year ended March 31, 2019	April/ May, 2019

Further, the tentative months for the Thirty First AGM of the Company for the Financial Year ending March 31, 2019 shall be August/ September, 2019.

(iii) Dividend Payment Date:

Not Applicable

(iv) Stock Exchanges where Securities of the Company are listed:

Your Company's Shares are listed on the following Stock Exchange:

Listing on Stock Exchange	BSE Limited (BSE) PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 400001
Stock Code & ISIN	BSE:532001 & ISIN : INDCTST

(v) Payment of Annual Listing/ Custody/ Issuer Fees:

Annual Listing Fees for the Financial Year 2018-19 have been paid to the Stock Exchange.

Annual Custody/ Issuer Fees have been paid to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for the Financial Year 2018-19.

Further, in terms of circular no. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018, issued by Securities and Exchange Board of India ("SEBI"), your Company has appointed NSDL as the "Designated Depository" for the purpose of monitoring of Foreign Investment limits on behalf of the Company.

(vi) Stock Market Price Data:

The stock market price data and volume of the Company's shares traded on the BSE during the Financial Year 2017-18 were as under

Month - Year	High Price (in Rs.)	Low Price (in Rs.)	Close Price (in Rs.)	Total Traded Volume (No. of shares)
April-17	31.00	26.70	29.35	13,546
May-17	30.80	25.55	28.10	9,975
June-17	29.25	23.90	26.00	10,027
July-17	28.45	24.05	25.10	13,461
August-17	29.35	25.35	27.90	2,362
September-17	27.00	21.25	23.50	13,621
October-17	26.55	22.40	22.90	4,799
November-17	25.30	21.40	23.55	10,821
December-17	29.00	24.35	26.85	22,378
January-18	37.15	26.25	31.50	35,328
February-18	32.55	23.85	24.70	20,454
March-18	28.00	22.60	22.60	11,948

Closing Price of your Company's Share and the Market Capitalisation as on the last trading day of the Financial Year 2017-18 i.e. March 28, 2018, were as under:

Particulars	BSE
Closing Price (in Rs.)	22.6
Market Capitalisation (in Rs. Lakhs)	907.90

(vii) Stock Performance: Performance in comparison to broad-based indices viz. BSE SENSEX during the Financial Year 2017-18 were as under

(viii) Distribution of Shareholding as on March 31, 2018:

Distribution Schedule on Scrip Value as on March 31, 2018				
Share of Nominal Value	**Number of Holders**	**(%) of Holders**	**Total Amount**	**% of Amount**
UPTO TO 5000	575	73.06	1248570.00	3.11
5001 TO 10000	89	11.31	706100.00	1.76
10001 TO 20000	67	8.51	1020990.00	2.54
20001 TO 30000	12	1.52	308810.00	0.77
30001 TO 40000	6	0.76	220100.00	0.55
40001 TO 50000	11	1.40	517800.00	1.29
50001 TO 100000	8	1.02	557280.00	1.39
100001 TO ABOVE	19	2.41	35592890.00	88.60
TOTAL	**787**	**100**	**40172540.00**	**100.00**

Distribution Schedule on Number of Shares as on March 31, 2018				
Share	**Number of Holders**	**(%) ofHolders**	**Total Shares**	**% of Shares**
1 TO 100	257	32.66	9801	0.24
101 TO 200	88	11.18	15731	0.39
201 TO 500	230	29.22	99325	2.47
501 TO 1000	89	11.31	70610	1.76
1001 TO 5000	96	12.20	206770	5.15
5001 TO 10000	8	1.02	55728	1.39
10001 TO 100000	11	1.40	398455	9.92
100001 TO ABOVE	8	1.02	3160834	78.68
TOTAL	**787**	**100**	4017254	**100**

Category-wise Shareholding Pattern of the Company as on March 31, 2018:

Sr. no.	Category	No. of Shareholders	No. of Shares held	% of Share holding
1.	Promoter and Promoter Group	9	2784754	69.32
2.	Private Corporate Bodies& NBFCs registered with RBI	22	65868	1.64
3.	Indian Public	748	1135966	28.27
4.	NRI	4	4738	0.12
5.	Clearing Members	4	25928	0.65
	Total	**787**	**40,17,254**	**100.00**

Details of Shares held by Directors as on March 31, 2018:

Name of Directors	No. of Shares Held
Mr. Rajeev Reniwal	3,37,526
Mrs. Sweety Reniwal	4,07,745
Mr. Yogesh Thakkar	0
Mr. Bhushanlal Behl	0

(ix) Dematerialisation of Shares and Liquidity

As on March 31, 2018, 98.74% of the total Equity Share Capital of the Company was held in dematerialised form with NSDL and CDSL under International Securities Identification Number (“ISIN”) - INE146H01018

The break-up of Equity Shares held in dematerialised and physical mode as on March 31, 2018, is as under:

Particulars	No. of Shares	%
Physical	58200	1.44
Dematerialised Mode: CDSL	17,03,953	42.42
NSDL	22,55,101	56.14
Total	**40,17,254**	100

(x) Reconciliation of Share Capital Audit:

As stipulated under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, M/s. Dilip Bharadiya & Associates, Company Secretaries, carry out a quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the Share Capital during each quarter.

Further, an audit report issued in that regard is submitted to the Stock Exchange on quarterly basis and the same is also placed before the Board.

(xi) OutstandingGlobal Depository Receipts (“GDRs”)/ American Depository Receipts (“ADRs”)/ Warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has not issued any GDRs/ ADRs/ Warrants/ convertible instruments and hence, there are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments pending for conversion as on March 31,2018.

(xii) Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities:

Your Company does not engage in commodity hedging activities. The foreign currency exposure of the Company, in respect of its imports, borrowings and export receivables, if any, is hedged as per the Forex Policy of the Company. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all.

(xiii) Share Transfer System:

Your Company has an appropriate share transfer system. Requests for transfer of shares held in physical form can be lodged with the RTA of the Company. If documents are complete in all aspects then the request is generally processed within 15 days of the receipt of the documents.

Transfers in electronic form are much simpler and quicker as the Shareholders have to approach their respective Depository Participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

RTA of your Company ensures compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates. Further, as stipulated under Regulation 40(9) of the SEBI Listing Regulations, the RTA also obtains a half yearly certificate in that regard from M/s. Dilip Bharadiya & Associates, Company Secretaries and the same is filed with the stock exchange.

(xiv) Investor Service and Grievance Handling Mechanism:

A robust mechanism is established by your Company which ensures efficient service to the investors, proactive handling of investor correspondences and redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA.

During the Financial Year 2017-18, the Company did not receive any complaints.

(xv) Company's Recommendations to the Shareholders:

a. Open Demat Account and Dematerialise your shares

Shareholders may consider converting their physical holdings into dematerialised form and avail the benefits of dealing in Shares in demat form. There are various other benefits such as immediate transfer of shares, no stamp duty payable on transfer of shares held in dematerialised form and avoidance of risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries.

b. Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services, Shareholders who have more than one folio/ demat account in the same order of names, are requested to consolidate their holdings under one folio/ demat account. They may write to the RTA/ Depository Participant ("DP") in that regard. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor and service multiple folios/ demat accounts.

c. Submit Nomination Form

Shareholders shall register their nominations with the Company, in case of physical shares and with their DP, in case of dematerialised shares, to ensure that their shares are transmitted to their respective nominees without any hassles. They must ensure that nomination made is in the prescribed form and must be witnessed by two witnesses in order to be effective. The said form is available for download from the "Investor Relations" section on the website of the Company i.e. www.hariyanagroup.com.

d. **Furnish/ update bank account particulars with the Company/ DP**

Shareholders holding the shares in physical form shall furnish/ update their latest bank account number and other details with the Company and those holding the shares in dematerialised form should ensure that correct and updated particulars of their bank account are available with the DP. This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid events such as postal delays and loss in transit.

e. **Intimate/ update contact details**

In order to receive communications on corporate actions and other information of the Company, the Investors may consider intimating their contact details (including address) and changes therein, if any, to the Company/ RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode.

f. **Service of documents through electronic means**

Your Company holds its Green Initiative in high regard. Pursuant to Section 101 and Section 136 of the Act, Companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their E-mail address either with the Company or with the DPs.

Accordingly, Shareholders who have not registered their e-mail addresses so far, are requested to register their E-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically, by submitting a duly filled E-Communication Registration Form available on the website of the Company i.e. www.hariyanagroup.com, to RTA or to the Company on its designated E-mail Id i.e. contact@hariyanagroup.com.

g. **Exercise caution**

Shareholders shall keep the Company/ DP updated on any change with respect to their holdings, to avoid likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the Company.

h. **Deal with Registered Intermediaries**

Shareholders should transact through a registered intermediary, who is subject to regulatory discipline of SEBI, as it will be responsible for its activities and in case the intermediary does not act professionally, the matter can be taken up with SEBI/ Stock Exchanges.

i. **Monitor holdings regularly**

Demat account should not be kept dormant for a long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the Shareholder is likely to be away for a long period of time and where the securities are held in electronic form, the Shareholder can make a request to the DP to keep the account frozen, so that there can be no debit to the account till the instruction for freezing the account is countermanded by the Shareholder.

j. **Mode of Postage**

Share certificates and high value dividend/ interest warrants/ cheques/ demand drafts should not be sent by ordinary post. It is recommended that such instruments are by registered post or courier.

(xvi) Plants/ Divisions of the Company with their locations:

1. **Ship Breaking Yard**

   Plot No.14, Ship Breaking Yard, Alang, Dist. Bhavnagar, Gujarat – 364001

2. **Bhavnagar Division:**

   Hariyana House, 2165/A-2, 2nd Floor, Sanskar Mandal Chowk, Bhavnagar 364 002, (Gujarat)

(xvii) Address for Correspondence:

- All Members' correspondence should be forwarded to Sharex Dynamic (India) Pvt Ltd, the Registrar and Transfer Agent of the Company or to the Company Secretary at the Registered Office of the Company at the addresses mentioned below.
- The Company's dedicated e-mail address for Members' Complaints and other communications is contact@hariyanagroup.com.
- As stated in the SEBI circular dated March 26, 2018, whereby SEBI has issued new policy measures with respect to SEBI Complaints Redress System (SCORES), Members are requested to approach the Company directly at the first instance for their grievances.

Registrar and Share Transfer Agents (R&TA)	Registered Office
Sharex Dynamic (India) Pvt Ltd	**Inducto Steels Limited**
Unit-1, Luthra Ind. Premises, Safed Pool	156, Maker Chambers VI, 220 Jamnalal Bajaj Marg,
Andheri Kurla Road, Andheri (E)	Nariman Point, Mumbai- 400021
Mumbai – 400 072	Ph: +91 22 22043211
Ph: 28515606, 28515644	Fax: +91 22 22043215
Fax: 28512885	E-mail: **contact@hariyanagroup.com**
Email: sharexindia@vsnl.com	Website: **www.hariyanagroup.com**

(xviii) Feedback:

Your feedback is valuable to us to help us serve you better. Members are requested to give us their valuable suggestions, if any, for enhancement of our Investor Services by writing to us/ RTA at the address provided hereinabove.

Annexure-III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

INDUCTO STEELS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDUCTO STEELS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of 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, 2018 ("period under review"), 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure - A,** for the period under review, according to the applicable provisions of:

   (i) The Companies Act, 2013 ("the Act") and the rules made thereunder and the Companies Act, 1956 *(to the extent applicable);*

   (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 *(to the extent applicable)*;

   (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; and

      (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We have relied on the representations made by the Company and its officers and report of the Internal Auditor for systems and mechanism formed by the Company for compliances under other applicable Laws. The list of other laws applicable to the Company is given in **Annexure - B.**

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

   (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

   (ii) The Listing Agreements entered into by the Company with BSE Limited ("BSE/ Stock Exchange"), from time to time and the provisions of 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 Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

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

All Resolutions including Circular Resolutions of the Board of Directors and its Committees are approved by the requisite majority and are duly recorded in the respective minutes.

Majority decision is carried through, while the dissenting views of the Directors/ Members, if any, are captured and recorded as part of the minutes.

We further report that

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

We further report that

There were no events/ actions in pursuance of:

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that during the period under review there were no instances of:

(a) Public/ Rights Issue of Equity Shares & Equity Warrants/ Debentures/ Sweat Equity;

(b) Redemption/ Buy- back of securities;

(c) Merger/ Amalgamation/ Reconstruction, etc.; and

(d) Foreign Technical Collaborations

This report is to be read with our letter of even date, which is annexed as **Annexure - C** to this report.

Place : Mumbai
Date : May 30, 2018

Sd/-
DILIP BHARADIYA
Proprietor
DILIP BHARADIYA & ASSOCIATES
FCS No.: 7956.,
C P No.: 6740

Annexure - A

List of documents verified

1. Memorandum and Articles of Association of the Company.
2. Annual Report for the Financial Year ended March 31, 2017.
3. Minutes and Attendance Registers of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, held during the period under review.
4. Circular Resolutions approved by the Board of Directors and its Committees from time to time.
5. Minutes of General Body Meetings held during the period under review.
6. Statutory Registers viz.
   - Register of Members;
   - Register of Directors and Key Managerial Personnel and their Shareholding;
   - Register of loans, guarantee, security and acquisition made by the Company;
   - Register of Charge;
   - Register of Contracts with Related Party and contracts and bodies, etc. in which directors are interested.
7. Agenda papers submitted to all the Directors / Members for the Board and Committee Meetings.
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2), Section 149(3) and Section 149(7) of the Act.
9. Intimations received from Directors under the Code of Conduct for Trading in Listed or Proposed to be Listed Securities of the Company.
10. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Act, alongwith the attachments thereof, during the period under review.
11. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the Stock Exchange, from time to time during the period under review.

Annexure - B

List of applicable laws to the Company

(i) Gujarat Maritime Board Act, 1981;

(ii) The Factories Act, 1948;

(iii) The Contract Labour Act, 1970; and

(iv) The Hazardous Wastes (Management & Handling) Rules, 1989 under Gujarat Pollution Control Board

Annexure - C

To,
The Members,
INDUCTO STEELS LIMITED

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

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

Place : Mumbai

Date : May 30, 2018

Sd/-
DILIP BHARADIYA
Proprietor
DILIP BHARADIYA & ASSOCIATES
FCS No.: 7956.,
C P No.: 6740

Annexure-IV

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
INDUCTO STEELS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by INDUCTO STEELS LIMITED (hereinafter the "Company"), for the year ended March 31, 2018, as stipulated in provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria')

Management's Responsibility

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

Auditor's Responsibility

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

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

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

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

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

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

For P. D. Goplani & Associates
Chartered Accountants
Firm Reg. No. 118023W

Sd/-
CA Sonam Langalia
Partner
Membership No.154014

Place : Mumbai
Date : May 30, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of **Inducto Steel Limited**

Report on the Standalone Ind AS Financial Statements
We have audited the accompanying standalone Ind AS financial statements of **Inducto Steel Limited**, ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit And Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information [in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at Mumbai].

Management's Responsibility for the Standalone Ind AS Financial Statements
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards as prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditor of the Company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on the financial information of the branch of the Company referred to in the Other Matters paragraph below, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, cash flows and the changes in equity for the year ended on that date.

Other Matters

We did not audit the Ind AS financial statements/ information of Mumbai branch included in these standalone Ind AS financial statements of the Company whose Ind AS financial statements/ financial information reflect total assets of Rs. 3865.44 Lakhs as at March 31, 2018 and total revenues of Rs. 15.81 Lakhs for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements/information of this branch have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditors.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter with respect to our reliance on work done and the report of the branch auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].

   c. The reports on the accounts of the branch offices of the company audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us].

   e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   f. On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   g. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and

   h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and to branch auditors in terms of their report referred in the Other Matters paragraph above:

      i. the Company has disclosed impact of pending litigations on its financial position in its financial statements - *Refer Note 39 of the standalone financial statements;*

ii. the Company did not any long term contracts including derivative contracts for which there were any material foreseeable losses;

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Sonam Langalia
Partner
M. No. 154014

Place : Mumbai
Date : May 30, 2018

Annexure A to the Auditor's Report

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

We have audited, the internal financial controls over financial reporting of **Inducto Steel Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date [in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at Mumbai].

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountant of India and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. 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 obtained by us and the audit evidence obtained by the branch auditors in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of information and explanations provided to us, and based on the consideration of report of the branch auditor on the financial information referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Mumbai Branch, is based on the corresponding reports of the auditors of such branch.

For P. D. Goplani & Associates

Chartered Accountants

FRN: 118023W

Sd/-

CA. Sonam Langalia

Partner

M. No. 154014

Place : Mumbai
Date : May 30, 2018

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of oure report of even date on the accounts of **Inducto Steel Limited** ('the Company') for the year ended March 31, 2018)

Our reporting on the Order includes branch of the Company, which has been audited by branch auditors in terms of their report referred in the Other Matters paragraph of our report of even date, and our report referred in respect of the branch is solely on the report of the auditor.

i) a) The Company has maintained proper records showing the full particulars, including the quantitative details and situation of its fixed assets.

b) All the assets have not been physically verified by the management during the year, but as per the information and explanations provided to us, there is a regular programme of physical verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to information and explanations given by the management, the title deeds of immovable properties, included under tangible fixed assets, are held in the name of the Company, ***except as detailed in Annexure – 1***, the properties which are not in the name of the company. We were given to understand that the said immovable properties were owned and acquired by the company in the scheme of merger, however, the title deeds of the same are still in the name of erstwhile merging companies. Moreover, in case of Green Plot Development (Alang), the company has done redevelopment work on a lease hold plot at Alang (Alang Ship Breaking Yard, Alang).

ii) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on such physical verification.

iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

v) According to the information and explanations given to us, the company has not invited any deposits as per the provisions of section 73 to 76 or any other relevant provisions of companies act and the rules framed there under.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii) a) In our opinion and according to the information and explanations given to us , the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it and no such undisputed amounts were in arrears for a period of more than six months from the date they became payable.

b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the authority (where the dispute is pending)	Related period	Nature	Amount Rs.
Hon. CIT (Appeal)-41, Mumbai	AY 2009-10	Income Tax	3,57,180
Hon. CIT 3(2)(1), Mumbai	AY 2010-11	Income Tax	30,89,730
Hon. CIT 3(2)(1), Mumbai	AY 2011-12	Income Tax	14,51,040
Hon. CIT 3(2)(1), Mumbai	AY 2012-13	Income Tax	5,84,680
Hon. CIT 3(2)(1), Mumbai	AY 2013-14	Income Tax	3,27,660

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution. The Company has not taken any loan from government.

ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or tern loan during the year under report.

x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or material 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 by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given by the management and based on the examinations of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

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 Act are not applicable.

xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

CA. Sonam Langalia
Partner
M. No. 154014

Mumbai
May 30, 2018

Annexure 1 to Companies Auditors Report (CARO 2016)
Details of Para 3(i) (c) : Immovable Properties

Particulars	Gross Block as at 31.03.2018 (Rs.)	Net Block as at 31.03.2018 (Rs.)	Remarks
Land	1,66,257.00	1,66,257.00	Held in the name of Erstwhile Merging companies M/s. Hariyana Industrial Gases Pvt Ltd and Inducto Techno Cast ings Pvt Ltd since 31.03.2006.
Shed & Building	27,94,148.00	7,44,015.00	Held in the name of Erstwhile Merging companies M/s. Hariyana Industrial Gases Pvt Ltd and Inducto Techno Cast ings Pvt Ltd since 31.03.2006.

Standalone Balance Sheet as at March 31, 2018

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
I. Non-current assets				
Property, plant and equipment	6	94.87	108.48	118.11
Capital work-in-progress	7	13.10	-	-
Non-current financial assets				
Investment - Non Current	8	3,427.02	273.54	5,247.66
Other non-current assets	9	96.69	92.03	88.49
		3,631.69	**474.04**	**5,454.26**
II. Current assets				
Inventories	10	52.53	2,047.84	-
Current financial assets				
Trade receivables	11	10.49	94.85	11,744.22
Cash and cash equivalents	12	23.93	49.02	52.36
Loans	13	61.49	59.92	46.72
Other current financial assets	14	348.00	3,846.12	3,846.12
Other current assets	15	13.03	7.90	6.93
		509.47	**6,105.65**	**15,696.35**
Total Assets		**4,141.16**	**6,579.70**	**21,150.61**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	401.73	401.73	401.73
Other equity	17	3,695.39	3,671.33	3,612.05
		4,097.12	**4,073.05**	**4,013.77**
Liabilities				
I. Non-current liabilities				
Non - current provisions	18	1.71	0.86	-
Deferred tax liabilities	24	10.43	12.03	9.80
		12.14	**12.89**	**9.80**
II. Current liabilities				
Current financial liabilities				
Borrowings	19	-	-	1.45
Trade payables	20	-	2,129.26	13,213.76
Other current financial liabilities	21	0.83	319.59	1.92
Other current liabilities	22	13.18	35.32	3,909.79
Short-term provisions	23	0.92	9.58	0.10
Current tax liabilities	24	16.97	-	-
		31.90	**2,493.75**	**17,127.04**
Total Equity & Liabilities		**4,141.16**	**6,579.70**	**21,150.61**

The accompanying notes are an integral part of the Standalone financial statements
As per our Audit Report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

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

(Rs. in Lakhs)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations			
Sale of Products	26	2,202.82	2,572.24
Other Operating Income		-	-
Revenue from operations		**2,202.82**	**2,572.24**
Other income	27	170.95	436.42
Total Revenue [I]		**2,373.77**	**3,008.66**
Expenses			
Cost of raw materials and components consumed	28	2,026.66	2,328.53
Changes in the inventories of Finished Goods, Stock In Trade and Work - In Progress	29	(31.35)	-
Employee benefits expense	30	72.97	56.49
Finance costs	31	30.45	152.03
Excise Duty		126.55	269.49
Depreciation and amortisation expense	6	14.76	14.42
Other Expenses	32	94.25	102.61
Total expenses [II]		**2,334.28**	**2,923.57**
Profit before tax [III=I-II]		**39.48**	**85.09**
Tax expenses			
Current tax	24	16.97	23.58
Deferred tax	24	(1.59)	2.23
Total tax expense [IV]		**15.38**	**25.81**
Profit for the year [A=III-IV]		**24.10**	**59.28**
Other comprehensive income			
i. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		**-**	**-**
ii. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	25	(0.05)	-
Income tax effect	24	0.01	-
		(0.04)	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (ii)		(0.04)	-
Total other comprehensive income for the year, net of tax [B=i+ii]		**(0.04)**	**-**
Total comprehensive income for the year, net of tax [A+B]		**24.07**	**59.28**
Earning per equity share [nominal value per share Rs.10/-]			
Basic		0.60	1.48
Diluted		0.60	1.48

The accompanying notes are an integral part of the Standalone financial statements
As per our Audit Report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Standalone statement of Cash flow for the year ended on March 31, 2018

(Rs. in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities		
1. Profit before tax	39.44	85.09
Loss from continuing operations	-	-
Profit from discontinued operations	-	-
	39.44	**85.09**
2. Adjustment for :		
Depreciation and amortisation expense	14.76	14.42
Finance cost	30.45	152.03
Interest income	-0.12	-419.42
Provision for doubtful debts	-2.21	-11.66
Operating profit before working capital changes (1+2)	**82.31**	**-179.53**
3. Adjustments for working capital changes:		
Decrease / (Increase) in Trade and other receivables	3,574.89	11,656.53
Decrease / (Increase) in Inventories	1,995.31	-2,047.84
(Decrease) / Increase in Trade and other payables	2,461.01	-14,630.97
Cash used in operations	**3,191.51**	**-5,201.81**
Extraordinary item	**-**	**-**
4. Direct taxes paid	-16.97	-23.58
Net Cash generated from/(used in) operating activities [A]	**3,174.54**	**-5,225.40**
Cash Flow from investing activities		
Purchase of fixed assets (including capital advances)	-14.26	-4.79
Proceeds/ Repayment of non-current loans, net	-1.57	-13.20
Purchase of non current investments (Net)	-3,153.48	4,974.12
Interest received	0.12	419.42
Net cash generated from/(used in) investing activities [B]	**-3,169.19**	**5,375.55**
Cash flow from financing activities		
Proceeds from short term borrowings, net	-	-1.45
Finance cost	-30.45	-152.03
Net cash generated from/(used in) financing activities [C]	**-30.45**	**-153.48**
Net increase/(decrease) in cash & cash equivalents [A+B+C]	**-25.10**	**-3.34**
Cash & cash equivalents at the beginning of the year	49.02	52.36
Cash & cash equivalents at the end of the year	**23.93**	**49.02**
Notes:		
A) Components of cash & cash equivalents		
Cash on hand	21.01	31.81
Balances with banks		
- In Current accounts	2.91	17.22
Cash & cash equivalents	**23.93**	**49.02**

2 The amendments to IND-AS 7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation beetween the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclousre is made below. There is no other impact on the financial statements due to this amendment.

3 The above cashflow statement has been prepared under the 'indirect method' as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows".

4 The previous year's figures have been regrouped wherever necessary.

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Bhavnagar
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

INDUCTO STEEL LIMITED

Standalone statement of changes in equity for the year ended on March 31, 2018

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2016	401.73
Changes in Equity share capital during the year	-
Balance as at March 31, 2017	**401.73**
Balance as at April 1, 2017	401.73
Changes in Equity share capital during the year	-
Balance as at March 31, 2018	**401.73**

B. Other equity

Attributable to the equity holders of the Company				
	Reserve and Surplus			
Particulars	**Capital Reserve Reserve**	**General Reserve**	**Retained Earnings**	**Total**
Balance as at April 1, 2016	**1,022.37**	**127.41**	**2,462.27**	**3,612.05**
Profit for the year			59.28	59.28
Items of OCI, net of tax				
Re-measurement losses on defined benefit plans				0.00
Balance as at March 31, 2017	**1,022.37**	**127.41**	**2,521.55**	**3,671.33**
Balance as at April 1, 2017	**1,022.37**	**127.41**	**2,521.55**	**3,671.33**
Profit for the year			24.10	24.10
Items of OCI, net of tax				
Re-measurement losses on defined benefit plans			(0.04)	(0.04)
Balance as at March 31, 2018	**1,022.37**	**127.41**	**2,545.62**	**3,695.39**

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

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

INDUCTO STEEL LIMITED

Notes to the Standalone Financial Statements

Note 1 : Corporate information

Inducto Steel Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has its primary listing on BSE Limited. During the year, the Company was engaged in the ship breaking business and trading activities in metal scrap, coals, aluminum foil & other inouts. However, as and when any surplus fund are available, the same is given on interest to other parties and also invested in the shares and securities to earn short term and long term capital gains.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2018.

Note 2 : Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 5.

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees and all values are rounded to the nearest lacs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1 Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2 Foreign currencies

The Company's standalone financial statements are prepared in Indian Rupee ("Rupee") which is the also the Company's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3 Fair value measurement

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:

a) In the principal market for the asset or liability, or

b) 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

c) 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.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management**.** Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company 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 Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4 Property, plant and equipment

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of Property Plant and Equipment recognised as at April 1, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

All the items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased during a period is proportionately charged.Useful lives and residual values of assets are reviewed periodically

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

5 Leases

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

8 Intangible assets

Intangible assets acquired separately are measured, on initial recognition, at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

9 Impairment of non-financial assets

The Company assesses, at each reporting date, w10hether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

10 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

The Company is providing management consulting towards various operational and strategic activities and certain other shared services to some of its subsidiaries. Income from such management consultancy and shared services are recognised in the statement of profit and loss in which such services are rendered.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in 'Other Income' in the statement of profit and loss.

Dividends

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

11 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 recognition and measurement

All financial assets, except investment in subsidiaries and associate, 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.

Investments in subsidiaries and associate are carried at cost as per Ind AS 27 'Separate Financial Statements'. In case, the investments are classified as held for sale, such investments are accounted for in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit or loss (FVTPL).

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; andii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or as those measured at amortised cost.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13 Taxes

Current taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14 Employee benefits

Retirement benefit in the form of contribution to provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company's liabilities towards gratuity and leave encashment payable to its employees are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

15 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

16 Dividend distribution

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in

India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

17 Provisions & contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Company has:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

   (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

(B) Key accounting estimates

1 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

2 Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer to Note 25 for further details.

3 Property, Plant and Equipment

Refer to Note 3 (A) - 4 for the estimation of useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 6.

4 Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc.

Individual trade receivables are written off when the management deems them not to be collectable.

Note 4 : Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs(“MCA”) has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes
5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers: On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers.

Note 5 : Transition to IND AS

These financial statements are the Company’s first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 ‘First time adoption of Indian Accounting standards’. For periods up to and including the year ended on March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

5.1 Optional exemptions availed

1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset.

Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

2 Investment in subsidiaries and associate

The Company has elected the option provided under Ind AS 101 to measure all its investments in subsidiaries and associate at previous GAAP carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investments.

3 Fair value measurement of financial assets or financial liabilities

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS.

5.2 Applicable mandatory exceptions

1 Estimates

The estimates at April 1, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

FVTPL investments

FVTOCI – debt securities

Impairment of financial assets based on expected credit loss model

2 Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

5.3 Reconciliation between previous GAAP and Ind AS

1. Reconciliation of equity between previous GAAP and Ind AS

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Equity under previous GAAP		**4,075.51**	**4,023.73**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	0.05	0.01
Impact of provision for ECL on Trade Receivables	ii	(2.76)	(14.42)
Provision for Gratuity as per Ind AS	iii	(0.86)	-
Tax impact on Ind AS adjustments	iv	112	4.46
Equity as per Ind AS		**4,073.05**	**4,013.77**

2. Total comprehensive income reconciliation for the year ended March 31, 2017

Particulars	Notes	For the year ended on March 31, 2017
Net Profit under previous GAAP		**51.77**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	0.04
Impact of provision for ECL on Trade Receivables	ii	11.66
Provision for Gratuity as per Ind AS	iii	(0.86)
Tax impact on Ind AS adjustments	iv	(3.34)
Net Profit under Ind AS		59.28
Total comprehensive profit under Ind AS		**59.28**

i Fair valuation of investments (other than investment in subsidiaries and associate)

Under previous GAAP, the current investments were measured at lower of the cost or market value . Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the statement of profit and loss or other comprehensive income (based on the category in which they are classified).

ii Provision for ECL on Trade receivables

Under previous GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on ECL model. On the date of transition, ECL on trade receivables have been recognised in retained earnings and subsequent changes in ECL have been charged to the statement of profit and loss.

iii Provision for Gratuity

Company have created provision for gratuity liability based on Actuarial valuation report as per Ind AS - 19. Actuarial gain / loss disclosed in the Actuarial valuation statement is transferred to other comprehensive income.

iv Tax impacts on Ind AS adjustments

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach under previous GAAP) for computation of deferred tax has resulted in changes in the taxes. The resulting changes have been recognised in the retained earnings on the date of transition and the changes in the taxes in the subsequent periods are recognised in the statement of profit and loss or other comprehensive income, as the case may be.

v Excise Duty

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 2,69,48,970/-. There is no impact on the total equity and profit.

3. Cashflow reconciliation for the year ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Note No:- 6 Property Plant and Equipment

INDUCTO STEEL LIMITED
Notes to the Standalone Financial Statements

Note No:- 6	Property Plant and Equipment														
A S S E T S	**Land**	**Factory Shed & Building**	**Bore-well**	**Plant & Machinery**	**Weigh Bridge**	**Winch**	**Wire Rope**	**Crane**	**Office Equipments**	**Furniture & Fixtures**	**Car**	**Vehicle**	**Metal Detector**	**Computer**	**Total**
Gross carrying amount															
As at April 1, 2016	1.66	12.80	0.04	5.05	7.17	8.66	17.11	37.84	0.14	0.01	26.54	0.81	0.25	0.03	118.11
Additions	-	-	-	-	-	-	-	4.79	-	-	-	-	-	-	4.79
Disposal															-
As at March 31, 2017	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**42.63**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**122.90**
As at April 1, 2017	1.66	12.80	0.04	5.05	7.17	8.66	17.11	42.63	0.14	0.01	26.54	0.81	0.25	0.03	122.90
Additions	-	-	-	-	-	-	-	1.15	-	-	-	-	-	-	1.15
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**43.78**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**124.05**
Accumulated depreciation															
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.97	-	0.88	0.73	1.37	1.32	4.04	-	-	4.90	0.18	0.04	-	14.42
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	**0.97**	-	**0.88**	**0.73**	**1.37**	**1.32**	**4.04**	-	-	**4.90**	**0.18**	**0.04**	-	**14.42**
As at April 1, 2017	-	0.97	-	0.88	0.73	1.37	1.32	4.04	-	-	4.90	0.18	0.04	-	14.42
Depreciation for the year	-	0.97	-	0.88	0.73	1.37	1.32	4.37	-	-	4.90	0.18	0.04	-	14.76
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	**1.94**	-	**1.76**	**1.47**	**2.73**	**2.63**	**8.40**	-	-	**9.81**	**0.37**	**0.08**	-	**29.18**
Net Carrying Amounts															
As at April 1, 2016	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**37.84**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**118.11**
As at March 31, 2017	**1.66**	**11.83**	**0.04**	**4.17**	**6.44**	**7.29**	**15.80**	**38.59**	**0.14**	**0.01**	**21.64**	**0.63**	**0.21**	**0.03**	**108.48**
As at March 31, 2018	**1.66**	**10.86**	**0.04**	**3.28**	**5.71**	**5.93**	**14.48**	**35.38**	**0.14**	**0.01**	**16.73**	**0.45**	**0.17**	**0.03**	**94.87**

Note 7 : Capital Work In Progress

Particulars	Green Plot Development
Gross carrying amount	
As at April 1, 2016	**-**
Additions	-
Deductions	-
As at March 31, 2017	**-**
As at April 01, 2017	**-**
Additions	13.10
Deductions	-
As at March 31, 2018	**13.10**
Net carrying amount	
As at March 31, 2018	**13.10**
As at March 31, 2017	-

Note No:- 8 Investments Non - Current

Particulars	As at March 31, 2018	March 31, 2017	1st April 2016
(A) Investment at Cost			
In Partnership Firms			
(i) Calvin Divine Enterprise LLP (Associate)	272.62	272.62	243.43
(ii) Shree Balaji Associates	3,154.39	0.25	5,003.62
(B) Investment at Fair value through profit and loss (FVTPL):			
- **Mutual Funds (Quoted)**			
PNB Principal Regular Growth Plan	-	0.66	0.61
41.511 (PY 41.511) Units fully paid up	-	-	-
	-	-	-
- **Investment in Shares (Quoted)**	-	-	-
Hariyana Ship Breakers Ltd	0.01	0.01	0.00
10 (PY 10) shares of Rs.10/- each fully paid up			
Total	**3,427.02**	**273.54**	**5,247.66**
Notes :			
(a) Aggregate value of quoted investments and market value thereof	0.01	0.66	0.62
(b) Aggregate value of unquoted investments and market value thereof	3,427.01	272.87	5,247.05

Note No:- 9 Other Non-Current Asset

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
Security Deposits			
(Unsecured, Considered Good)			
- Security Deposits	6.79	6.51	1.51
Sub Total	**6.79**	**6.51**	**1.51**
Other Loans & Advances			
(Unsecured, Considered Good)			
- Balance with Revenue Authorities	89.90	85.52	86.97
Sub Total	89.90	85.52	86.97
Total	**96.69**	**92.03**	**88.49**

Note No:- 10 Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
As verified, valued and certified by management)			
Raw Materials - Uncut Ship Stock	21.18	2,047.84	-
Semi Finished Goods	31.35	-	-
Total	**52.53**	**2,047.84**	**-**

Notes :

Inventories of Raw Materials - Ships are stated at Cost values. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formulas used are First -in -First -out.In ship recycling units, the weight of the ship purchased is accounted in terms of LDT/MT of the ship at the time of its construction. Ascertaining of weight of ship at the time of purchase is not possible due to its nature and size. There is loss of weight on account of corrosion and other factors during the usage of the ship and its voyage for long period of the years. Inventory at the close of the year is ascertained by reducing the weight of the scrap sold together with the estimated wastage of the material.

Consumable stores and spares are written off at the time of purchase itself.

Note No:- 11 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
Trade Receivable - Unsecured			
Considered Good	10.49	94.85	11,744.22
Considered Doubtful	0.55	2.76	14.42
	11.05	97.61	11,758.64
Less : Allowance for doubtful debts	0.55	2.76	14.42
Total	**10.49**	**94.85**	**11,744.22**
Age analysis of trade receivables			
Outstanding for more than six months from the date they are due	10.49	51.63	51.63
Others	-	43.21	11,692.59
	10.49	**94.85**	**11,744.22**

Notes

1. Summary of movement in allowance for doubtful trade receivables

Particulars	As at March 31, 2018	1st April 2017
Balance at the beginning of the year	**2.76**	14.42
Movement during the year	(2.21)	(11.66)
Less : Write off of bad debts	-	-
Balance at the end of the year	**0.55**	**2.76**

2. The trade receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

Note No:- 12 Cash and Cash Equivalents

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
Cash on hand (as certified by management)	21.01	31.81	39.69
Balances With Banks	-	-	-
- In current accounts	2.91	17.22	12.67
Total	**23.93**	**49.02**	**52.36**

The details of balances as on balance sheet dates with banks are as follows:

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
- State Bank Of India	-	0.20	1.18
- Indian Overseas Bank -CC 8742	-	0.01	-
- Indian Overseas Bank - CC 7983	0.29	0.79	0.17
- Punjab National Bank - 38888	1.60	0.11	(0.00)
- Punjab National Bank (Bhavnagar - 4540)	1.02	15.85	0.71
- Indian Overseas Bank - CC 2567	-	0.25	10.62
Total	2.91	17.22	12.67

Note No:- 13 Current Financial Assets - Loans

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
(Unsecured, considered good)			
Loans & Advances To			
- Others	61.49	59.92	46.72
Total	**61.49**	**59.92**	**46.72**

Note No:- 14 Other Current Financial Assets

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
(Unsecured, considered good)			
Advance given for Proposed Business Venture	348.00	3,846.12	3,846.12
Total	**348.00**	**3,846.12**	**3,846.12**

Note No:- 15 Other Current Assets

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
(Unsecured, considered good)			
Security Deposit- MVAT	0.25	0.25	0.25
Staff Advances	1.23	0.81	-
Balance with Revenue Authorities	10.43	6.61	6.63
Advance to Suppliers	1.10	-	-
Prepaid Expenses	0.02	0.23	0.05
Total	**13.03**	**7.90**	**6.93**

Note No:- 16 Equity Share Capital

A. SHARE CAPITAL

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount	Number	Amount	Number	Amount
AUTHORISED SHARE CAPITAL						
Equity Shares of Rs. 10/- each	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL						
Equity Shares of Rs. 10/- each fully paid	4,017,254	**401.73**	4,017,254	**401.73**	4,017,254	**401.73**
Total	**4,017,254**	**401.73**	**4,017,254**	**401.73**	**4,017,254**	**401.73**

Note: The issued and paid-up capital includes :

1 2417856 equity shares alloted as fully paid up bonus shares in the year 1994-95 by capitalisation of revaluation reserve of Rs.1,38,65,529, capital subsidy of Rs.21,01,687 and surplus in profit and loss accounts of Rs.82,11,344.

2 499078 equity shares allotted to the shareholders of Inducto Technocastings Private Limited and Hariyana Industrial Gases Private Limited, which were merged with the company w.e.f. 01.04.2005.

B. The reconciliation of the number of outstanding shares is set out below :

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	4,017,254	401.73	4,017,254	401.73	4,017,254	401.73
Forfeited shares	741,200	74.12	741,200	74.12	741,200	74.12
Add: Issue of Bonus Shares during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**4,758,454**	**475.85**	**4,758,454**	**475.85**	**4,758,454**	**475.85**

C. Terms/rights attached to equity shares :

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2018, the amount of per share dividend recognized as distributions to equity share holders was Rs. Nil.
- In the event of liquidation of the company, the holders of the Equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proporation to the number of equity shares held by the share holders.

D. The details of shareholder holding more than 5% shares is set out below:

NAME OF SHAREHOLDERS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Rakesh S Reniwal	1,483,388	36.93%	1,483,388	36.93%	1,483,388	36.93%
2 Babita S Agarwal	203,100	5.06%	203,100	5.06%	203,100	5.06%
3 Rajeev S Reniwal	337,526	8.40%	337,526	8.40%	337,526	8.40%
4 Sweety R Reniwal	407,745	10.15%	407,745	10.15%	407,745	10.15%

As per records of the company, including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note 17 : Other equity

Refer to the statement of changes in equity for movement in Other equity.

<u>Nature and purpose of reserves</u>

Capital Reserve

Capital Reserve created in F.Y. 2007-08, at the time of merger of Hariyana Industrial Gases Pvt. Ltd. and Inducto Technocasting Pvt. Ltd. in Inducto Steel Ltd. In addition to that, 7,41,200 shares are Forfeited which is not going to reissue, so gain on share forfeiture Rs. 74,12,000 is transferred to capital reserve.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note No:- 18 Non - Current Provisions

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Provision for Gratuity	1.71	0.86	-
(Refer to Note - 25 for detailed disclosure)			
	1.71	**0.86**	**-**

Note No:- 19 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Secured Borrowings			
I. Loan from banks (includes CC, OD etc.)	-	-	1.45
Total	**-**	**-**	**1.45**

Notes:

1. Details of the secured Short-term borrowings:

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Punjab National Bank OD-8742	-	-	1.45
Total	**-**	**-**	**1.45**

2. Clean Overdraft A/c No. 8742 with Indian Overseas Bank is collaterally secured by Land Plots and Residential Properties of Directors' relatives. The same is also secured by personal guarantee of two directors and their two relatives. The overdraft is repayable on demand and carries interest @ 14.25% p.a.

Note No:- 20 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Trade Payables	-	2,129.26	13,213.76
	-	**2,129.26**	**13,213.76**

Note:

1. Trade payables are recognized at their original invoiced amounts which represent their fair value on initial recognition. The trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.
2. The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note No:- 21 Other Current Financial Liabilities

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Capital Overdrawn - Shree Balaji Associates *(Investment in Parntership - 5%)*	-	318.93	-
Expense payable	0.83	0.66	-
Current Maturities of Term Loan*	-	-	1.92
Total	**0.93**	**319.59**	**1.92**

** Car Loan - Secured by way of hypothecation charge on Car. Car Loan of Rs. 32,50,000 is repayable in 36 equal monthly installment of Rs. 1,03,386, inclusive of interest.*

Note No:- 22 Other Current Liabilities

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Statutory Dues	3.27	33.90	64.34
Other Payable	9.92	1.43	42.45
Margin Money from customers	-	-	3,803.00
Total	**13.18**	**35.32**	**3,909.79**

Note No:- 23 Short Term Provisions

Particulars	As at March 31, 2018	March 31, 2017	1st April, 2016
Provision for Employee Benefits			
Salary & Incentives	0.73	4.99	-
Contribution to Provident Funds	0.14	1.04	0.08
ESIC Payable	0.04	0.35	0.02
Bonus Payable	-	3.19	-
Total	**0.92**	**9.58**	**0.10**

Note 24 :- Income taxes

1 **Components of Income tax expense**

The major component of Income Tax Expense for the year ended on March 31, 2018 and March 31, 2017 are as follows:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Statement of Profit and Loss		
Current tax		
Current income tax	16.97	23.58
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Deferred tax expense	(1.59)	2.23
MAT credit entitlement	-	-
	15.38	**25.81**
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	(0.01)	-
	(0.01)	**-**
Income tax expense as per the statement of profit and loss	**15.37**	**25.81**

2 Reconciliation of effective tax

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Profit before tax from continuing and discontinued operations	**39.48**	**85.09**
Tax @ 30.9%	**12.20**	**26.29**
Adjustments for:		
Expenses not allowed as deduction	1.04	0.09
Income on which tax not required to be paid	2.66	(0.52)
Other Adjustment	(0.52)	(0.05)
Tax expense / (benefit)	**15.38**	**25.81**
Effective Tax Rate	**38.96**	**30.33**

3 Movement in deferred tax assets and liabilities
For the year ended on March 31, 2017

Particulars	As at April 1, 2016	Credit/(charge) in the Statement of Profit and Loss Income	Credit/(charge) in Other Comprehensive	As at March 31, 2017
Deferred tax assets/(liabilities)				
Accelerated depreciation for tax purposes	(14.26)	1.11	-	(13.15)
Deferred tax expense on fair valuation of investment				
Provision for doubtful debt and Gratuity	4.46	(3.34)	-	1.12
	(9.80)	**(2.23)**	**-**	**(12.03)**

For the year ended on March 31, 2018

Particulars	As at March 31, 2017	Credit/(charge) in the Statement of Profit and Loss Income	Credit/(charge) in Other Comprehensive	As at March 31, 2018
Deferred tax assets/(liabilities)				
Accelerated depreciation for tax purposes	(13.15)	2.13	-	(11.02)
Deferred tax expense on fair valuation of investment	-	-	-	-
Provision for doubtful debt	1.12	(0.54)	0.01	0.59
	(12.02)	**1.59**	**0.01**	**(10.43)**

4 Current tax assets and liabilities

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Current			
Current tax assets	-	-	-
Current tax liabilities	16.97	-	-

Note 25 : Employee benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under PF and other schemes operated by government.

Amount of Rs. 6.74 lakhs (P.Y. : Rs. 4,.32 lakhs) is recognised as expenses and included in Note 30 “Employee benefit expense”.

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Provident fund	4.56	2.79
ESIC	2.18	1.53
	6.74	**4.32**

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

March 31, 2018 : Changes in defined benefit obligation and plan assets

	As at March 31, 2018		As at March 31, 2017	
Gratuity - Defined benefit obligation				
Opening Balance	0386		-	
Gratuity cost charged to statement of profit and loss				
Service cost	0.73		0.86	
Net interest expense	0.06		-	
Transfer in / (out) obligation	-		-	
Sub-total included in statement of profit and loss		1.66		0.86
Benefit paid				
Remeasurement gains/(losses) in other comprehensive income				
Return on plan assets (excluding amounts included in net interest expense)	-		-	
Actuarial changes arising from changes in demographic assumptions	-		-	
Actuarial changes arising from changes in financial assumptions	(0.01)		-	
Experience adjustments	0.06		-	
Sub-total included in OCI		0.05		-
Defined benefit obligation		1.71		0.86
Fair value of plan assets				
Total benefit liability		**1.71**		**0.86**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Discount rate	7.80%	7.50%
Future salary increase	10% for first three years and 7% thereafter	10% for first three years and 7% thereafter
Attrition rate	Up to 30 Years - 3%	Up to 30 Years - 3%
	31-44 Years - 2%	31-44 Years - 2%
	Above 44 Years - 1%	Above 44 Years - 1%
Mortality rate during employment		
(% of IALM 06-68)	100%	100%

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	Increase) / decrease in defined benefit obligation (Impact)	
		For the Year ended March 31, 2018	**For the Year ended March 31, 2017**
Gratuity			
Discount rate	1% increase	0.17	0.08
	1% decrease	(0.20)	(0.09)
Salary increase	1% increase	(0.20)	(0.09)
	1% decrease	0.17	0.08
Attrition Rate	1% increase	0.01	0.01
	1% decrease	(0.01)	(0.01)
Mortality Rate	1% increase	(0.00)	(0.00)
	1% decrease	0.00	0.00

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	0.02	0.00
Between 2 and 5 years	0.15	0.07
Beyond 5 years	5.10	2.04
Total expected payments	**5.28**	**2.12**

Weighted average duration (years) of defined plan obligation (based on discounted cash flows)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity	11 Years	10 Years

C. Other Long term employee benefit plans

Company does not have any other Long term employee benefit plans for the aforsaid period.

Note No:- 26 REVENUE FROM OPERATIONS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Sale of Manufactured Goods	2,202.82	2,572.24
Total	**2,202.82**	**2,572.24**

Note No:- 27 OTHER INCOME

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest Income On :		
Loans Granted	0.12	171.46
Late payment from customers	-	247.95
Other Income :		
Share of Profit/ (Loss) from Partnership Firm	(8.59)	1.50
Short Term Capital Gain on Mutual Fund (STT not paid)	0.09	-
Reversal of Bank Charges	-	15.47
Rebate and Discount	0.06	-
Loyalty Bonus Income (SRIA)	1.46	-
Net Gain on Foreign Currency Transaction	177.85	-
MTM Gain on Fair value of Mutual Fund	(0.05)	0.04
Total	**170.95**	**436.42**

Note No:- 28 COST OF CONSUMPTION OF RAW MATERIALS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest		
Inventory at the Beginning of the Year	2,047.84	-
	-	-
Add: Ship Purchase for Recycling	-	4,376.37
	2,047.84	4,376.37
Less: Inventory at the end of the Year	21.18	2,047.84
Cost of Consumption of Raw Materials	**2,026.66**	**2,328.53**

Note No:- 29 CHANGES IN INVENTORIES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest		
Inventory at the Beginning of the Year	-	-
Less : Inventory at the End of the Year	31.35	-
Total	**(31.35)**	**-**

Note No:- 30 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest		
Salaries & Wages	60.89	44.92
Bonus Expenses	3.77	5.42
Contribution to Provident Funds	4.56	2.79
Contribution to ESIC	2.18	1.53
Staff Welfare Expenses	0.78	0.96
Provision for Gratuity	0.80	0.86
Total	**72.97**	**56.49**

Note No:- 31 FINANCE COSTS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
FINANCE CHARGES		
Bank Commission & Charges	0.06	0.18
LC Charges	-	0.37
INTEREST PAID TO :		
Borrowing from Bank	0.01	4.64
Car Loan	-	0.02
Late payment of Statutory Dues	0.01	0.04
Late payment to Suppliers	30.38	146.78
Total	**30.45**	**152.03**

Note No:- 32 OTHER EXPENSES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
Gases & Carbide	35.77	47.78
Consumable Expenses	3.65	2.20
Plot Rent & Development Charges	13.98	14.85
Repair & Maintenance	0.47	1.01
Power & Fuel Expenses	1.64	1.22
Pollution Control Expenses	0.20	0.52
Other Manufacturing Expenses	1.36	1.34
Provision for Doubtful debt	(2.21)	(11.66)
Accounting Charges	1.20	1.17
Advertisements	0.33	0.30
Electricity Charges	1.61	0.16
Computer Charges	0.10	0.06
Donation	0.08	0.20
Filing Fees	0.20	0.05
Fees & Subscription	0.08	0.13
Insurance Expanses	0.07	-
Legal & Professional Expenses	7.34	7.49
Other Expenses	0.62	1.63
Payment to Auditors	1.16	1.04
Printing & Stationery	0.63	0.89
Professional Tax	0.02	0.02
Postage & Courier	0.39	0.19
Rent, Rates & Taxes	0.77	0.97
Security Charges	0.41	-
Service Tax Expenses	2.12	6.78

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
Share Demat Charges	0.01	0.01
Telephone Expenses	0.86	1.12
Travelling Expenses	8.04	5.98
Vehicle Running & Maintenance	4.63	3.64
Business Promotion	3.77	5.17
Brokerage & Commission Expenses	4.88	8.17
Sales Tax Expense	0.08	0.19
Total	**94.25**	**102.61**

Note 33: Related Party transactions

Related party disclosures, as required by Ind AS 24, " Related Party Disclosures", are given below.

(A) Particulars of related parties and nature of relationships

Name of the related parties

A. Companies over which Key Management Personnel and their relatives are able to exercise significant influence

1. Hariyana International Private Limited
2. Shree Balaji Associates
3. Hariyana Air Products
4. Calvine Divine Enterprise

B. Key Management Personnel

Executive directors

1. Rajeev Reniwal

Non Executive directors

2. Sweety Reniwal - Non Executive Director

Company Secretary

3. Arpita Doshi - Company Secretary

C. Relatives of Key Management Personnel

Unnati Reniwal

(B) Related party transactions and balances

The details of material transactions and balances with related parties (including those pertaining to discontinued operations) are given below:

a) Transaction during the year	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
1 **Sales and other operating income**		
(i) Other operating income / Other income		
Interest Income		
Shree Balaji Associates	-	142.16
Calvine Divine Enterprise	-	29.20
	-	171.35
Share of Profit/ (Loss) from the firms		
Shree Balaji Associates	(8.59)	1.50
	(8.59)	1.50
Exchange Gain		
Hariyana International Private Limited	177.85	-
	177.85	-
2 **Purchases**		
Highseas Purchases		
Hariyana International Private Limited	-	4,237.31
	-	4,237.31
Oxygen Gas Purchases		
Hariyana Air Products	21.29	29.23
	21.29	29.23
3 **Interest paid**		
Shree Balaji Associates	30.38	-
Hariyana International Private Limited	-	146.78
	30.38	146.78
4 **Remuneration Paid**		
Radha Sharma	0.35	3.85
Arpita Doshi	3.50	-
Unnati Reniwal	4.20	4.20
	8.05	8.05
** Leave encashment and gratuity benefits which is based on actuarial valuation on an overall company basis is not included in the above.*		
5 **Investment in Partnership Firms**		
Capital Introduced		
Shree Balaji Associates - Current Capital	3,970.04	770.00
	3,970.04	770.00
Capital Withdrawan		
Shree Balaji Associates - Current Capital	458.00	6,235.95
	458.00	6,235.95

b) Balances at the end of the year

	Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
1	Outstanding Payables			
	Hariyana International Private Limited	-	2,129.26	12,048.76
		-	2,129.26	12,048.76
2	Investments Balance at the end of the period	0.25	0.25	0.25
	Shree Balaji Associates - Fixed Capital	0.10	0.10	0.10
	Calvin Divine Enterprise - Fixed Capital	272.52	272.52	243.33
	Calvin Divine Enterprise - Current Capital	3,154.14	(318.93)	5,003.37
	Shree Balaji Associates - Current Capital	3,427.01	(46.05)	5,247.05

Note 34 : Financial assets and liabilities

Financial assets by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in												
- Partnership Firm	3,427.01				272.87				5,247.05			
- Mutual fund		-				0.66				0.61		-
Quoted												
- Equity shares		0.01				0.01				0.00		
Trade receivable				10.49				94.85				11,744.22
Loans				61.49				59.92				46.72
Cash & cash equivalents (including other bank balances)				23.93				49.02				52.36
Other financial assets												
- Advance given for proposed Business Venture				348.00				3,846.12				3,846.12
Total Financial assets	**3,427.01**	**0.01**	**-**	**443.91**	**272.87**	**0.66**	**-**	**4,049.92**	**5,247.05**	**0.62**	**-**	**15,689.42**

Financial liabilities by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings												1.45
Trade payables				-				2,129.26				3,213.76
Other financial liabilities												
- Current maturities of long-term borrowings				-				-				1.92
- Expenses Payable				0.83 -				0.66				-
- Other financial liabilities				-				318.93				-
Total Financial liabilities	**-**	**-**	**-**	**0.83**	**-**	**-**	**-**	**2,448.85**	**-**	**-**	**-**	**13,217.14**

Note 35 : Fair values

1 Quantitative disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	-	-	-	-
Equity shares-Quoted	0.01	-	-	0.01

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017 (Valuation date - March 31, 2017)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	0.66	-	-	0.66
Equity shares-Quoted	0.01	-	-	0.01

Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016 (Valuation date - April 1, 2016)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	0.61	-	-	0.61
Equity shares-Quoted	0.00	-	-	0.00

2 Quantitative disclosures fair value measurement hierarchy for liabilities

Company does not have any financial liability which is measured either at Fair value through profit and loss account or measured at Fair value through other comprehensive income.

Note 36 : Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that 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. It is the Company's policy that no trading in fianancial instruments for speculative purposes may be undertaken.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net assset value("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates, which as on the end of the year are Nil.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount As at			Reporting Currency Amount (Rupees) As at		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Accounts Payable						
USD	-	-	1.72	-	-	1,165.00

Other market risks

The Company's investments in various mutual funds, debentures and bonds are susceptible to market price risk arising from the uncertainity about future values/ future NAV values of such mutual funds, debentures, bonds and preference shares. The Company manages such risk through diversification of such investments. Reports on the the investment portfolio are submitted to the Company's senior management on a regular basis that helps the senior management to take investment decisions.

Sensitivity impact analysis

Particulars	Change in NSE/BSE index	Effect on profit before tax
As at March 31, 2018		
Investment in mutual funds	10%	-
	-10%	-
As at March 31, 2017		
Investment in mutual funds	10%	0.66
	-10%	(0.66)

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) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on market feedback and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

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 independent markets.

Trade receivables are non-interest bearing and are generally on 14 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended						
March 31, 2018						
Borrowings (including current maturities of long-term borrowings)	-	-	-	-	-	
Trade & other payables	-	-	-	-	-	-
Other current financial liabilities	0.16	0.67	-	-	-	0.83
March 31, 2017						
Borrowings (including current maturities of long-term borrowings)	-	-	-	-	-	-
Trade & other payables	-	-	2,129.26	-	-	-2,129.26
Other current financial liabilities	319.19	0.41	-	-	-	319.59
April 1, 2016						
Borrowings (including current maturities of long-term borrowings)	-	-	1.45	-	-	1.45
Trade & other payables	-	-	13,213.76	-	-	13,213.76
Other current financial liabilities	-	-	1.92	-	-	1.92

Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Particulars	As at		
	March 31, 2018	**1st April 2017**	**1st April 2016**
Interest-bearing loans and borrowings	-	-	3.38
Trade Payable	-	2,129.26	13,213.76
Less: cash and cash equivalent	23.93	49.02	52.36
Net debt	**(23.93)**	**2,080.24**	**13,164.78**
Equity share capital	401.73	401.73	401.73
Other equity	3,695.39	3,671.33	3,612.05
Total capital	**4,097.12**	**4,073.05**	**4,013.77**
Capital and net debt	**4,073.19**	**6,153.29**	**17,178.55**
Gearing ratio (%)	***-0.59%***	***33.81%***	***76.63%***

Company does not have any Short term or long term borrowings as on 31st March 2017 and 31st March 2018.

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 1, 2016.

Note 38 : Segment information

The Company's business segments are identified based on the geographic locations of its units. Business segments of the company are primarily categorized as: Mumbai (Trading & Investment) and Bhavnagar (Ship Breaking).

Particulars	Mumbai (Trading & Investment)	Bhavnagar (Ship Breaking)	Total
i. Segment Revenue			
Revenue from External Sources	**-**	**2,202.82**	**2,202.82**
	-	*2,572.24*	***2,572.24***
Other Income (after inter segment eliminations)	**(8.42)**	**179.37**	**170.95**
	436.42	*-*	***436.42***
ii. Segment Results			
Total Segment Profit before Interest and Tax	**(12.28)**	**82.21**	**69.93**
	426.06	*(188.94)*	***237.12***
Interest Expenses			0.00
			0.00
Profit before Tax			**69.93**
			237.12
Taxes			0.00
			0.00
Profit after Tax			**69.93**
			237.12
iii. Segment Assets	**3,865.44**	**275.71**	**4,141.15**
	4,209.27	*2,370.42*	***6,579.70***
iv. Segment Liabilities	**32.97**	**11.06**	**44.04**
	479.30	*2,027.34*	***2,506.64***

(Figures in italics are in respect of the previous year)*

a) Revenue from external sources includes income from sale of manufactured goods.

b) Carrying amount of segment assets comprises of non-current assets and current assets identified to respective segments.

Note 39 : Contingent Liabilities

Particulars	**As at March 31, 2018**	**1st April 2017**	**1st April 2016**
To the extent not acknowledged as debts :			
a. Disputed demand under :			
(i) Income tax	58.10	74.68	71.40
(ii) Sales tax	-	25.27	25.27
(iii) Excise duty	-	-	17.64

The company does not anticipate any liability except above on account of pending income tax and sales tax assessments.

Note 40 : Earnings per Share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic & Diluted EPS		
Computation of Profit (Numerator)		
(i) Profit/(loss) from continuing operations	24.07	59.28
Weighted Average Number of Shares (Denominator)	**Nos.**	**Nos.**
Weighted average number of Equity shares of Rs.10 used for calculation of basic and diluted earnings per share	4,017,254	4,017,254
Basic & Diluted EPS (in Rupees)		
(i) Continuing operations	0.60	1.48

Note 41 : Expenditure for corporate social responsibility activities

During the year ended March 31, 2018, the company has spent Rs. Nil towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and Rules thereon by way of contribution to various Trusts / NGOs / Societies / Agencies.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Amount Required to be spent by the Company	-	8.32
Amount spent during the year on :		
(a) Construction / Acquisition of any asset	-	-
(b) On Purpose other than (a) above	-	-
(c) Non utilized amount	-	8.32

1. The Company does not carry any provisions for Corporate Social Responsibility expenses for current year and previous year.

2. Management and CSR Committee are in the process of finding better avenues of CSR Expenditure to be incurred in near future.

Note 42 : Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note 43 :Payment to Auditors

Details of payment to Auditors are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fees and tax audit fees	0.92	0.86
Certification and other services	0.24	0.17
Total	**1.16**	**1.04**

Note 44 : Other Notes

i) The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the standalone financial statements of the Company prepared in accordance with previous GAAP.

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	INDUCTO STEELS LIMITED		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Sonam Langalia	**Rajeev Reniwal**	**Sweety Reniwal**	**Arpita Doshi**
Partner	Director	Director	Company Secretary
M. No. 154014	(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Inducto Steel Limited**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Inducto Steel Limited** (hereinafter referred to as 'the Company') and its associate (the company and its associate together referred to as 'the group'), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit And Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

The respective Board of Directors of the company included in the group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of presentation of the consolidated Ind AS financial statements by the Directors of the company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to below in sub-paragraph (a) and (b) of the Other Matters is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on the financial statements/ financial information of the branch and associate of the Company referred to below to in sub-paragraph (a) and (b) of the Other Matters, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the Ind AS financial statements/information of Mumbai branch of the Company included in these Consolidated Ind AS financial statements of the Company whose Ind AS financial statements/ financial information reflect total assets of Rs. 3865.44 Lakhs as at March 31, 2018 and total revenues of Rs. 15.81 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The Ind AS financial statements/information of this branch have been audited by the branch auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditors.

(b) The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. Nil for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of one associate, whose financial statements/ financial information have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the financial statements/ financial information of the branch and associate of the company referred to above in sub-paragraph (a) and (b) of the Other Matters paragraph above, we report, to the extent applicable, that:

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated Ind AS financial statements;

   b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and report of the other auditors referred in Other Matters paragraph above;

   c. the report on the financial statements/ financial information audited by the other auditors, referred to in Other Matters paragraph above, has been sent to us and has been properly dealt with by us in preparing this report;

d. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of presentation of consolidated Ind AS financial statements and the financial information of branch and associate of the Company audited by the other auditors referred to in Other Matters paragraph above;

e. in our opinion, and based on the consideration of the report of the other auditors referred to in Other Matters paragraph above, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act;

f. on the basis of the written representations received from the directors of the company as on March 31, 2018 taken on record by the Board of Directors of the company incorporated in India, none of the directors of the Group is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

g. with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report, which is based on our audit of the Company and the consideration of the report of the other auditors referred in the Other Matters paragraph above. Our report express an unmodified opinion on the adequacy and operating effectiveness of such branch's and such associate's internal financial control over financial reporting; and

h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and to other auditors in terms of their report referred in the Other Matters paragraph above:

   i. the Group has disclosed impact of pending litigations on its financial position in its Ind AS financial statements - *Refer Note 40 of the Consolidated Ind AS financial statements;*

   ii. the Group did not any long term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company and its associate.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W
Sd/-
CA. Sonam Langalia
Partner
M. No. 154014

Place : Mumbai
Date : May 30, 2018

Annexure A to the Independent Auditor's Report

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

In conjunction with our audit if the Consolidated Ind AS financial statements of the company as of March 31, 2018, we have audited, the internal financial controls over financial reporting of **Inducto Steel Limited** (hereinafter referred to as 'the Company') and its associate.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company and its associate are 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the company and its associate 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 as specified 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 obtained by us and the audit evidence obtained by the other auditors referred to in sub-paragraph (a) and (b) of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company and its associate.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors referred to below in sub-paragraph (a) and (b) of the Other Matters paragraph below, the Company and its associate, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company and its associate 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.

Other Matters

(a) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Mumbai Branch of the Company, is solely based on the corresponding reports of the auditors of such.

(b) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate of the Company, is solely based on the corresponding reports of the auditors of associate.

Our opinion is not modified in respect of the above matters.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Sonam Langalia
Partner
M. No. 154014

Place : Mumbai
Date : May 30, 2018

Consolidated Balance Sheet as at March 31, 2018

(Rs. in lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
I. Non-current assets				
Property, plant and equipment	6	94.87	108.48	118.11
Capital work-in-progress	7	13.10	-	-
Non-current financial assets				
Investment - Non Current	8	3,427.02	273.54	5,247.66
Other non-current assets	9	96.69	92.03	88.49
		3,631.69	**474.04**	**5,454.26**
II. Current asset				
Inventories	10	52.53	2,047.84	-
Current financial assets	11	10.49	94.85	11,744.22
Trade receivables	11	10.49	94.85	11,744.22
Cash and cash equivalents	12	23.93	49.02	52.36
Loans	13	61.49	59.92	46.72
Other current financial assets	14	348.00	3,846.12	3,846.12
Other current assets	15	13.03	7.90	6.93
		509.47	**6,105.65**	**15,696.35**
Total Assets		**4,141.16**	**6,579.70**	**21,150.61**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	401.73	401.73	401.73
Other equity	17	3,695.39	3,671.33	3,612.05
Non-Controlling Interest		-	-	-
		4,097.12	**4,073.05**	**4,013.77**
Liabilities				
I. Non-current liabilities				
Non - current provisions	18	1.71	0.86	-
Deferred tax liabilities	24	10.43	12.03	9.80
		12.14	**12.89**	**9.80**
II. Current liabilities				
Current financial liabilities				
Borrowings	19	-	-	1.45
Trade payables	20	-	2,129.26	13,213.76
Other current financial liabilities	21	0.83	319.59	1.92
Other current liabilities	22	13.18	35.32	3,909.79
Short-term provisions	23	0.92	9.58	0.10
Current tax liabilities	24	16.97	-	-
		31.90	**2,493.75**	**17,127.04**
Total Equity and Liabilities		**4,141.16**	**6,579.70**	**21,150.61**

The accompanying notes are an integral part of the consolidated financial statements
As per our Audit Report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**INDUCTO STEELS LIMITED**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Sonam Langalia	**Rajeev Reniwal**	**Sweety Reniwal**	**Arpita Doshi**
Partner	Director	Director	Company Secretary
M. No. 154014	(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018 (Rs. in lakhs)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations			
Sale of Products	26	2,202.82	2,572.24
Other Operating Income		-	-
Revenue from operations		**2,202.82**	**2,572.24**
Other income	27	170.95	436.42
Total Revenue [I]		**2,373.77**	**3,008.66**
Expenses			
Cost of raw materials and components consumed	28	2,026.66	2,328.53
Changes in the inventories of Finished Goods, Stock In Trade and Work - In Progress	29	(31.35)	-
Employee benefits expense	30	72.97	56.49
Finance costs	31	30.45	152.03
Excise Duty		126.55	269.49
Depreciation and amortisation expense	6	14.76	14.42
Other Expenses	32	94.25	102.61
Total expenses [II]		**2,334.28**	**2,923.57**
Profit before tax [III=I-II]		**39.48**	**85.09**
Tax expenses			
Current tax	24	16.97	23.58
Deferred tax	24	(1.59)	2.23
Total tax expense [IV]		**15.38**	**25.81**
Profit/(loss) after tax but before share of profit/ (loss) from associates [V]		**–**	**–**
Profit for the year [A=III-IV+V]		**24.10**	**59.28**
Other comprehensive income			
i. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		**-**	**-**
ii. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	25	(0.05)	-
Income tax effect	24	0.01	-
		(0.04)	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (ii)		(0.04)	_
Total other comprehensive income for the year, net of tax [B=i+ii]		**(0.04)**	**-**
Total comprehensive income for the year, net of tax [A+B]		**24.07**	**59.28**
Total Comprehensive Income for the period attributable to :			
- Owners of the Company		24.07	59.28
- Non Controlling Interest		-	-
Earning per equity share [nominal value per share Rs.10/-]			
Basic		0.60	1.48
Diluted		0.60	1.48

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

As per our Audit Report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Consolidated statement of Cash flow for the year ended on March 31, 2018 (Rs. in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities		
1. Profit before tax	39.44	85.09
Loss from continuing operations	-	-
Profit from discontinued operations	-	-
	39.44	**85.09**
2. Adjustment for :		
Depreciation and amortisation expense	14.76	14.42
Finance cost	30.45	152.03
Interest income	(0.12)	(419.42)
Provision for doubtful debts	(2.21)	(11.66)
Operating profit before working capital changes (1+2)	**82.31**	**(179.53)**
3. Adjustments for working capital changes:		
Decrease / (Increase) in Trade and other receivables	3,574.89	11,656.53
Decrease / (Increase) in Inventories	1,995.31	(2,047.84)
(Decrease) / Increase in Trade and other payables	(2,461.01)	(14,630.97)
Cash used in operations	**3,191.51**	**(5,201.81)**
Extraordinary item	**-**	**-**
4. Direct taxes paid	(16.97)	(23.58)
Net Cash generated from/(used in) operating activities [A]	**3,174.54**	**(5,225.40)**
Cash Flow from investing activities		
Purchase of fixed assets (including capital advances)	(14.26)	(4.79)
Proceeds/ Repayment of non-current loans, net	(1.57)	(13.20)
Purchase of non current investments (Net)	(3,153.48)	4,974.12
Interest received	0.12	419.42
Net cash generated from/(used in) investing activities [B]	**(3,169.19)**	**5,375.55**
Cash flow from financing activities		
Proceeds from short term borrowings, net	-	(1.45)
Finance cost	(30.45)	(152.03)
Net cash generated from/(used in) financing activities [C]	**(30.45)**	**(153.48)**
Net increase/(decrease) in cash & cash equivalents [A+B+C]	**(25.10)**	**(3.34)**
Cash & cash equivalents at the beginning of the year	49.02	52.36
Cash & cash equivalents at the end of the year	**23.93**	**49.02**
Notes:		
A) Components of cash & cash equivalents		
Cash on hand	21.01	31.81
Balances with banks		
- In Current accounts	2.91	17.22
Cash & cash equivalents	**23.93**	**49.02**

2 The amendments to IND-AS 7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation beetween the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclousre is made below. There is no other impact on the financial statements due to this amendment.

3 The above cashflow statement has been prepared under the 'indirect method' as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows".

4 The previous year's figures have been regrouped wherever necessary.

The accompanying notes are an integral part of theconsolidated financial statements

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

INDUCTO STEEL LIMITED

Consolidated statement of changes in equity for the year ended on March 31, 2018

A. Equity share capital

(Rs. in lakhs)

Particulars	Amount
Balance as at April 1, 2016	401.73
Changes in Equity share capital during the year	-
Balance as at March 31, 2017	**401.73**
Balance as at April 1, 2017	401.73
Changes in Equity share capital during the year	-
Balance as at March 31, 2018	**401.73**

B. Other equity

	Reserve and Surplus			
Particulars	**Capital Reserve Reserve**	**General Reserve**	**Retained Earnings**	**Total**
Balance as at April 1, 2016	**1,022.37**	**127.41**	**2,462.27**	**3,612.05**
Profit for the year			59.28	59.28
Items of OCI, net of tax				
Re-measurement losses on defined benefit plans	-	-	-	-
Balance as at March 31, 2017	**1,022.37**	**127.41**	**2,521.55**	**3,671.33**
Balance as at April 1, 2017	**1,022.37**	**127.41**	**2,521.55**	**3,671.33**
Profit for the yea			24.10	24.10
Items of OCI, net of tax	-	-	-	-
Re-measurement losses on defined benefit plans			-0.04	-0.04
Balance as at March 31, 2018	**1,022.37**	**127.41**	**2,545.62**	**3,695.39**

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

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Sonam Langalia
Partner
M. No. 154014

For and on behalf of the Board
INDUCTO STEELS LIMITED

Sd/-	Sd/-	Sd/-
Rajeev Reniwal	**Sweety Reniwal**	**Arpita Doshi**
Director	Director	Company Secretary
(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Notes to the Consolidated Financial Statements

Note 1 : Corporate information

Inducto Steels Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has its primary listing on BSE Limited. During the year, the Company was engaged in the ship breaking business and trading activities in metal scrap, coals, aluminum foil & other inouts. However, as and when any surplus fund are available, the same is given on interest to other parties and also invested in the shares and securities to earn short term and long term capital gains.

The consolidated financial statements relate to Inducto Steel Limited (the company) and its associates.

Note 2 : Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 5.

The consolidated financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in Indian Rupees and all values are rounded to the nearest lacs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its associates.

Adjustments are made to the financial statements of associates, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1 Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2 Foreign currencies

The Company's consolidated financial statements are prepared in Indian Rupee ("Rupee") which is the also the Company's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3 Fair value measurement

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:

a) In the principal market for the asset or liability, or

b) 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

c) 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.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company 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 Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4 Property, plant and equipment

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of Property Plant and Equipment recognised as at April 1, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

All the items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased during a period is proportionately charged.

Useful lives and residual values of assets are reviewed periodically

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

5 Leases

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

8 Intangible assets

Intangible assets acquired separately are measured, on initial recognition, at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

9 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

10 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

The Company is providing management consulting towards various operational and strategic activities and certain other shared services to some of its subsidiaries. Income from such management consultancy and shared services are recognised in the statement of profit and loss in which such services are rendered.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in ‘Other Income’ in the statement of profit and loss.

Dividends

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

11 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.

<u>Financial assets</u>

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associate, 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.

Investments in subsidiaries and associate are carried at cost as per Ind AS 27 'Separate Financial Statements'. In case, the investments are classified as held for sale, such investments are accounted for in accordance with Ind AS 105 'Non-current Assets Held for Sale andDiscontinued Operations'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit or loss (FVTPL).

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or as those measured at amortised cost.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

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

12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13 Taxes

Current taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14 Employee benefits

Retirement benefit in the form of contribution to provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company's liabilities towards gratuity and leave encashment payable to its employees are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

15 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

16 Dividend distribution

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

17 Provisions & contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability arises when the Company has:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

(B) <u>Key accounting estimates</u>

1 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

2 Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer to Note 25 for further details.

3 Property, Plant and Equipment

Refer to Note 3 (A) - 4 for the estimation of useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 6.

4 Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc.

Individual trade receivables are written off when the management deems them not to be collectable.

Note 4 : Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes
5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers: On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Note 5 : Transition to IND AS

These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. For periods up to and including the year ended on March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

5.1 Optional exemptions availed

1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset.

Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

2 Investment in subsidiaries and associate

The Company has elected the option provided under Ind AS 101 to measure all its investments in subsidiaries and associate at previous GAAP carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investments.

3 Fair value measurement of financial assets or financial liabilities

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS.

5.2 Applicable mandatory exceptions

1 Estimates

The estimates at April 1, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

º% FVTPL investmentsº% FVTOCI – debt securities

º% Impairment of financial assets based on expected credit loss model

2 Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

5.3 Reconciliation between previous GAAP and Ind AS

1. Reconciliation of equity between previous GAAP and Ind AS

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Equity Equity under previous GAAP		**4,075.51**	**4,023.73**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	0.05	0.01
Impact of provision for ECL on Trade Receivables	ii	-2.76	-14.42
Provision for Gratuity as per Ind AS	ii	-0.86	-
Tax impact on Ind AS adjustments	iv	1.12	4.46
Equity as per Ind AS		**4,073.05**	**4,013.77**

2. Total comprehensive income reconciliation for the year ended March 31, 2017

Particulars	Notes	For the year ended on March 31, 2017
Net Profit under previous GAAP		**51.77**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	0.04
Impact of provision for ECL on Trade Receivables	ii	11.66
Provision for Gratuity as per Ind AS	iii	-0.86
Tax impact on Ind AS adjustments	iv	-3.34
Net Profit under Ind AS		59.28
Total comprehensive profit under Ind AS		**59.28**

i Fair valuation of investments (other than investment in subsidiaries and associate)

Under previous GAAP, the current investments were measured at lower of the cost or market value . Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the statement of profit and loss or other comprehensive income (based on the category in which they are classified).

ii Provision for ECL on Trade receivables

Under previous GAAP, the Company has created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on ECL model. On the date of transition, ECL on trade receivables have been recognised in retained earnings and subsequent changes in ECL have been charged to the statement of profit and loss.

iii Provision for Gratuity

Company have created provision for gratuity liability based on Actuarial valuation report as per Ind AS - 19. Actuarial gain / loss disclosed in the Actuarial valuation statement is transferred to other comprehensive income.

iv Tax impacts on Ind AS adjustments

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach under previous GAAP) for computation of deferred tax has resulted in changes in the taxes. The resulting changes have been recognised in the retained earnings on the date of transition and the changes in the taxes in the subsequent periods are recognised in the statement of profit and loss or other comprehensive income, as the case may be.

v Excise Duty

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 2,69,48,970/-. There is no impact on the total equity and profit.

3. Cashflow reconciliation for the year ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP

Note No:- 6 Property Plant and Equipment

INDUCTO STEEL LIMITED

Notes to the Consolidated Financial Statements 100,000.00

Note No:- 6	Property Plant and Equipment														
ASSETS	Land	Factory Shed & Building	Bore-well	Plant & Machinery	Weigh Bridge	Winch	Wire Rope	Crane	Office Equipments	Furniture & Fixtures	Car	Vehicle	Metal Detector	Computer	Total
Gross carrying amount															
As at April 1, 2016	1.66	12.80	0.04	5.05	7.17	8.66	17.11	37.84	0.14	0.01	26.54	0.81	0.25	0.03	118.11
Additions	-	-	-	-	-	-	-	4.79	-	-	-	-	-	-	4.79
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**42.63**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**122.90**
As at April 1, 2017	1.66	12.80	0.04	5.05	7.17	8.66	17.11	42.63	0.14	0.01	26.54	0.81	0.25	0.03	122.90
Additions	-	-	-	-	-	-	-	1.15	-	-	-	-	-	-	1.15
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**43.78**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**124.05**
Accumulated depreciation															
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.97	-	0.88	0.73	1.37	1.32	4.04	-	-	4.90	0.18	0.04	-	14.42
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	**0.97**	-	**0.88**	**0.73**	**1.37**	**1.32**	**4.04**	-	-	**4.90**	**0.18**	**0.04**	-	**14.42**
As at April 1, 2017	-	0.97	-	0.88	0.73	1.37	1.32	4.04	-	-	4.90	0.18	0.04	-	14.42
Depreciation for the year	-	0.97	-	0.88	0.73	1.37	1.32	4.37	-	-	4.90	0.18	0.04	-	14.76
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	**1.94**	-	**1.76**	**1.47**	**2.73**	**2.63**	**8.40**	-	-	**9.81**	**0.37**	**0.08**	-	**29.18**
Net Carrying Amounts															
As at April 1, 2016	**1.66**	**12.80**	**0.04**	**5.05**	**7.17**	**8.66**	**17.11**	**37.84**	**0.14**	**0.01**	**26.54**	**0.81**	**0.25**	**0.03**	**118.11**
As at March 31, 2017	**1.66**	**11.83**	**0.04**	**4.17**	**6.44**	**7.29**	**15.80**	**38.59**	**0.14**	**0.01**	**21.64**	**0.63**	**0.21**	**0.03**	**108.48**
As at March 31, 2018	**1.66**	**10.86**	**0.04**	**3.28**	**5.71**	**5.93**	**14.48**	**35.38**	**0.14**	**0.01**	**16.73**	**0.45**	**0.17**	**0.03**	**94.87**

FIXED ASSETS

ASSETS		GROSSBLOCK			DEPRECIATION				NET BLOCK		
YEAR	AS ON 01.04.2017	ADDITION DURING THE	DEDUCTIONS	TOTAL	UPTO 31.3.2017 YEAR	RATE OF DEP	DEPRECIATION FOR THE 31.03.18	ADJUSTMENT	TOTAL AS ON	AS ON 31.03.2018	AS ON 31.3.2017
LANT & MACHINERY											
1-Apr-17	799,232.00	0.00	0.00	799,232.00	588,089.00	9.21	73,609.00		661,698.00		
1-Apr-17	230,000.00	0.00		230,000.00	24,491.00	6.33	14,559.00		39,050.00		
	1,029,232.00	0.00	0.00	1,029,232.00	612,580.00	9.21	88,168.00	0.00	700,748.00	328,484.00	416,652.00
Building & Floating Structure											
1-Apr-17	478,690.00	0.00	0.00	478,690.00	122,506.00	2.96	14,169.00	0.00	136,675.00		
	478,690.00	0.00	0.00	478,690.00	122,506.00	2.96	14,169.00	0.00	136,675.00	342,015.00	356,184.00
Shed & Building											
1-Apr-17	2,794,148.00	0.00	0.00	2,794,148.00	1,967,426.00	2.96	82,707.00	0.00	2,050,133.00		
	2,794,148.00	0.00	0.00	2,794,148.00	1,967,426.00	2.96	82,707.00	0.00	2,050,133.00	744,015.00	826,722.00
BOREWELL											
1-Apr-17	82,026.00	0.00	0.00	82,026.00	77,925.00	0.00	0.00		77,925.00		
	82,026.00	0.00	0.00	82,026.00	77,925.00	0.00	0.00	0.00	77,925.00	4,101.00	4,101.00
WEIGH BRIDGE											
1-Apr-17	209,450.00	0.00	0.00	209,450.00	233,697.00	11.87	24,862.00		258,559.00		
1-Apr-17	75,000.00	0.00		75,000.00	9,509.00	6.33	4,748.00		14,257.00		
1-Apr-17	615,326.00	0.00		615,326.00	78,007.00	6.33	38,950.00		116,957.00		
1-Apr-17	75,000.00	0.00		75,000.00	9,509.00	6.33	4,748.00		14,257.00		
	974,776.00	0.00	0.00	974,776.00	330,722.00	11.87	73,308.00	0.00	404,030.00	570,746.00	644,054.00
WINCH											
1-Apr-17	651,380.00	0.00	0.00	651,380.00	665,550.00	12.69	82,660.00		748,210.00		
1-Apr-17	851,200.00	0.00		851,200.00	107,910.00	6.33	53,881.00		161,791.00		
	1,502,580.00	0.00	0.00	1,502,580.00	773,460.00	12.69	136,541.00	0.00	910,001.00	592,579.00	729,120.00
WIRE ROPE											
1-Apr-17	700,203.00	0.00	0.00	700,203.00	288,634.00	6.69	46,844.00	0.00	335,478.00		
1-Apr-17	1,337,807.00	0.00		1,337,807.00	169,598.00	6.33	84,683.00		254,281.00		
	2,038,010.00	0.00	0.00	2,038,010.00	458,232.00	6.33	131,527.00	0.00	589,759.00	1,448,251.00	1,579,778.00
CRANE											
1-Apr-17	5,746,391.00	0.00	0.00	5,746,391.00	2,362,535.00	6.96	399,949.00	0.00	2,762,484.00		
1-Apr-17	436,337.00	0.00		436,337.00	3,557.00	6.33	27,620.00		31,177.00		
1-Apr-17	42,700.00	0.00		42,700.00	7.00	6.33	2,703.00		2,710.00		
15-May-17	0.00	115,300.00		115,300.00	0.00	6.33	6,419.00		6,419.00		
	6,225,428.00	115,300.00	0.00	6,340,728.00	2,366,099.00	19.62	436,691.00	0.00	2,802,790.00	3,537,938.00	3,859,329.00
OFFICE EQUIPMENTS											
1-Apr-17	277,857.00	0.00	0.00	277,857.00	263,964.00	0.00	0.00		263,964.00		
	277,857.00	0.00	0.00	277,857.00	263,964.00	0.00	0.00	0.00	263,964.00	13,893.00	13,893.00
FURNITURE & FIXTURES											
1-Apr-17	22,045.00	0.00	0.00	22,045.00	20,942.00	9.50	0.00		20,942.00		
	22,045.00	0.00	0.00	22,045.00	20,942.00	9.50	0.00	0.00	20,942.00	1,103.00	1,103.00
VEHICLE											
1-Apr-17	192,262.00	0.00	0.00	192,262.00	129,170.00	9.50	18,265.00	0.00	147,435.00		
	192,262.00	0.00	0.00	192,262.00	129,170.00	9.50	18,265.00	0.00	147,435.00	44,827.00	63,092.00
CAR											
1-Apr-17	4,100,039.00	0.00	0.00	4,100,039.00	1,936,223.00	11.96	490,365.00		2,426,588.00		
	4,100,039.00	0.00	0.00	4,100,039.00	1,936,223.00	11.96	490,365.00	0.00	2,426,588.00	1,673,451.00	2,163,816.00
Metal Detector											
1-Apr-17	51,111.00	0.00	0.00	51,111.00	30,210.00	7.56	3,864.00		34,074.00		
	51,111.00	0.00	0.00	51,111.00	30,210.00	7.56	3,864.00	0.00	34,074.00	17,037.00	20,901.00
COMPUTER											
1-Apr-17	51,750.00	0.00	0.00	51,750.00	49,163.00	0.00	0.00	0.00	49,163.00		
	51,750.00	0.00	0.00	51,750.00	49,163.00	0.00	0.00	0.00	49,163.00	2,587.00	2,587.00

Note 7 : Capital Work In Progress

Particulars	Green Plot Development
Gross carrying amount	
As at April 1, 2016	
Additions	-
Deductions	-
As at March 31, 2017	**-**
As at April 01, 2017	**-**
Additions	13.10
Deductions	-
As at March 31, 2018	**13.10**
Net carrying amount	
As at March 31, 2018	**13.10**
As at March 31, 2017	-
As at April 1, 2016	

-

Note No:- 8 Investments Non - Current

Particulars	As at March 31, 2018	March 31, 2017	1st April 2016
(A) Investment at Cost			
In Partnership Firms			
(i) Calvin Divine Enterprise LLP (Associate)	272.62	272.62	243.43
(ii) Shree Balaji Associates	3,154.39	0.25	5,003.62
(B) Investment at Fair value through profit and loss (FVTPL):			
- **Mutual Funds (Quoted)**			
PNB Principal Regular Growth Plan	-	0.66	0.61
41.511 (PY 41.511) Units fully paid up			
- **Investment in Shares (Quoted)**			
Hariyana Ship Breakers Ltd	0.01	0.01	0.00
10 (PY 10) shares of Rs.10/- each fully paid up			
Total	**3,427.02**	**273.54**	**5,247.66**
Notes :			
(a) Aggregate value of quoted investments and market value thereof	0.01	0.66	0.62
(b) Aggregate value of unquoted investments and market value thereof	3,427.01	272.87	5,247.05

Note No:- 9 Other Non-Current Asset

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
Security Deposits			
(Unsecured, Considered Good)			
- Security Deposits	6.79	6.51	1.51
Sub Total	6.79	6.51	1.51
Other Loans & Advances			
(Unsecured, Considered Good)			
- Balance with Revenue Authorities	89.90	85.52	86.97
Sub Total	89.90	85.52	86.97
Total	**96.69**	**92.03**	**88.49**

Note No:- 10 Inventories

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
As verified, valued and certified by management)			
Raw Materials - Uncut Ship Stock	21.18	2,047.84	-
Semi Finished Goods	31.35	-	-
Total	**52.53**	**2,047.84**	**-**

Notes :

Inventories of Raw Materials - Ships are stated at Cost values. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formulas used are First -in -First -out.

In ship recycling units, the weight of the ship purchased is accounted in terms of LDT/MT of the ship at the time of its construction. Ascertaining of weight of ship at the time of purchase is not possible due to its nature and size. There is loss of weight on account of corrosion and other factors during the usage of the ship and its voyage for long period of the years. Inventory at the close of the year is ascertained by reducing the weight of the scrap sold together with the estimated wastage of the material.

Consumable stores and spares are written off at the time of purchase itself.

Note No:- 11 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
Trade Receivable - Unsecured			
Considered Good	10.49	94.85	11,744.22
Considered Doubtful	0.55	2.76	14.42
	11.05	97.61	11,758.64
Less : Allowance for doubtful debts	0.55	2.76	14.42
Total	**10.49**	**94.85**	**11,744.22**
Age analysis of trade receivables			
Outstanding for more than six months from the date they are due	10.49	51.63	51.63
Others	-	43.21	11,692.59
	10.49	**94.85**	**11,744.22**

Notes

1. Summary of movement in allowance for doubtful trade receivables

Particulars	As at March 31, 2018	As at 1st April 2017
Balance at the beginning of the year	**2.76**	**14.42**
Movement during the year	-2.21	-11.66
Less : Write off of bad debts	-	-
Balance at the end of the year	**0.55**	**2.76**

2. The trade receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

Note No:- 12 Cash and Cash Equivalents

Particulars	As at March 31, 2018	As at 1st April 2017	As at 1st April 2016
Cash on hand (as certified by management)	21.01	31.81	39.69
Balances With Banks			
- In current accounts	2.91	17.22	12.67
Total	**23.93**	**49.02**	**52.36**

The details of balances as on balance sheet dates with banks are as follows:

Particulars	As at March 31, 2018	As at 1st April 2017	As at 1st April 2016
- State Bank Of India	-	0.20	1.18
- Indian Overseas Bank -CC 8742	-	0.01	-
- Indian Overseas Bank - CC 7983	0.29	0.79	0.17
- Punjab National Bank - 38888	1.60	0.11	-0.00
- Punjab National Bank (Bhavnagar - 4540)	1.02	15.85	0.71
- Indian Overseas Bank - CC 2567	-	0.25	10.62
Total	**2.91**	**17.22**	**12.67**

Note No:- 13 Current Financial Assets - Loans

Particulars	As at March 31, 2018	As at 1st April 2017	As at 1st April 2016
(Unsecured, considered good)			
Loans & Advances To			
- Others	61.49	59.92	46.72
Total	**61.49**	**59.92**	**46.72**

Note No:- 14 Other Current Financial Assets

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
(Unsecured, considered good)			
Advance given for Proposed Business Venture	348.00	3,846.12	3,846.12
Total	**348.00**	**3,846.12**	**3,846.12**

Note No:- 15 Other Current Assets

Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
(Unsecured, considered good)			
Security Deposit- MVAT	0.25	0.25	0.25
Staff Advances	1.23	0.81	-
Balance with Revenue Authorities	10.43	6.61	6.63
Advance to Suppliers	1.10	-	-
Prepaid Expenses	0.02	0.23	0.05
Total	**13.03**	**7.90**	**6.93**

Note No:- 16 Equity Share Capital

A. SHARE CAPITAL

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Amount	Number	Amount	Number	Amount
AUTHORISED SHARE CAPITAL						
Equity Shares of Rs. 10/- each	5,500,000	550.00	5,500,000	550.00	5,500,000	550.00
	5,500,000	**550.00**	**5,500,000**	**550.00**	**5,500,000**	**550.00**
ISSUED, SUBSCRIBED & PAID UP CAPITAL						
Equity Shares of Rs. 10/- each fully paid	4,017,254	401.73	4,017,254	401.73	4,017,254	401.73
Total	**4,017,254**	**401.73**	**4,017,254**	**401.73**	**4,017,254**	**401.73**

Note: The issued and paid-up capital includes :

1 2417856 equity shares alloted as fully paid up bonus shares in the year 1994-95 by capitalisation of revaluation reserve of Rs.1,38,65,529, capital subsidy of Rs.21,01,687 and surplus in profit and loss accounts of Rs.82,11,344.

2 499078 equity shares allotted to the shareholders of Inducto Technocastings Private Limited and Hariyana Industrial Gases Private Limited, which were merged with the company w.e.f. 01.04.2005.

B. The reconciliation of the number of outstanding shares is set out below :

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
At the beginning of the year	4,017,254	401.73	4,017,254	401.73	4,017,254	401.73
Forfeited shares	741,200	74.12	741,200	74.12	741,200	74.12
Add: Issue of Bonus Shares during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**4,758,454**	**475.85**	**4,758,454**	**475.85**	**4,758,454**	**475.85**

C. Terms/rights attached to equity shares :

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. During the year ended 31st March, 2018, the amount of per share dividend recognized as distributions to equity share holders was Rs. Nil.
- In the event of liquidation of the company, the holders of the Equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proporation to the number of equity shares held by the share holders.

D. The details of shareholder holding more than 5% shares is set out below:

NAME OF SHAREHOLDERS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	**% of Holding**	**No. of Shares**	**% of Holding**	**No. of Shares**	**% of Holding**
1 Rakesh S Reniwal	1,483,388	36.93%	1,483,388	36.93%	1,483,388	36.93%
2 Babita S Agarwal	203,100	5.06%	203,100	5.06%	203,100	5.06%
3 Rajeev S Reniwal	337,526	8.40%	337,526	8.40%	337,526	8.40%
4 Sweety R Reniwal	407,745	10.15%	407,745	10.15%	407,745	10.15%

As per records of the company, including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note 17 : Other equity

Refer to the statement of changes in equity for movement in Other equity.

Nature and purpose of reserves

Capital Reserve

Capital Reserve created in F.Y. 2007-08, at the time of merger of Hariyana Industrial Gases Pvt. Ltd. and Inducto Technocasting Pvt. Ltd. in Inducto Steel Ltd. In addition to that, 7,41,200 shares are Forfeited which is not going to reissue, so gain on share forfeiture Rs. 74,12,000 is transferred to capital reserve.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note No:- 18 Non - Current Provisions

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Provision for Gratuity	1.71	0.86	-
(Refer to Note - 25 for detailed disclosure)			
	1.71	**0.86**	**-**

Note No:- 19 Current Financial Liabilities - Borrowings

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Secured Borrowings			
I. Loan from banks (includes CC, OD etc.)	-	-	1.45
Total	**-**	**-**	**1.45**

Notes:

1. Details of the secured Short-term borrowings:

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Punjab National Bank OD-8742	-	-	1.45
Total	**-**	**-**	**1.45**

2. Clean Overdraft A/c No. 8742 with Indian Overseas Bank is collaterally secured by Land Plots and Residential Properties of Directors' relatives. The same is also secured by personal guarantee of two directors and their two relatives. The overdraft is repayable on demand and carries interest @ 14.25% p.a.

Note No:- 20 Current Financial Liabilities - Trade Payables

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Trade Payables	-	2,129.26	13,213.76
	-	**2,129.26**	**13,213.76**

Note:

1. Trade payables are recognized at their original invoiced amounts which represent their fair value on initial recognition. The trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

2. The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note No:- 21 Other Current Financial Liabilities

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Capital Overdrawn - Shree Balaji Associates *(Investment in Parntership - 5%)*	-	318.93	-
Expense payable	0.83	0.66	-
Current Maturities of Term Loan*	-	-	1.92
Total	**0.83**	**319.59**	**1.92**

** Car Loan - Secured by way of hypothecation charge on Car. Car Loan of Rs. 32,50,000 is repayable in 36 equal monthly installment of Rs. 1,03,386, inclusive of interest.*

Note No:- 22 Other Current Liabilities

Particulars		As at	
	March 31, 2018	1st April 2017	1st April 2016
Statutory Dues	3.27	33.90	64.34
Other Payable	9.92	1.43	42.45
Margin Money from customers	-	-	3,803.00
Total	**13.18**	**35.32**	**3,909.79**

Note No:- 23 Short Term Provisions

Particulars		As at	
	March 31, 2018	March 31, 2017	1st April, 2016
Provision for Employee Benefits			
Salary & Incentives	0.73	4.99	-
Contribution to Provident Funds	0.14	1.04	0.08
ESIC Payable	0.04	0.35	0.02
Bonus Payable	-	3.19	-
Total	**0.92**	**9.58**	**0.10**

Note 24 :- Income taxes

1 Components of Income tax expense

The major component of Income Tax Expense for the year ended on March 31, 2018 and March 31, 2017 are as follows:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Statement of Profit and Loss		
Current tax		
Current income tax	16.97	23.58
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Deferred tax expense	(1.59)	0.00
MAT credit entitlement	-	-
	15.38	**23.58**
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	(0.01)	-
	(0.01)	**-**
Income tax expense as per the statement of profit and loss	**15.37**	**23.58**

2 Reconciliation of effective tax

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Profit before tax from continuing and discontinued operations	**39.48**	**85.09**
Tax @ 30.9%	**12.20**	**26.29**
Adjustments for:		
Expenses not allowed as deduction	1.04	0.09
Income on which tax not required to be paid	2.66	(0.52)
Other Adjustment	(0.52)	(0.05)
Tax expense / (benefit)	**15.38**	**25.81**
Effective Tax Rate	**38.96**	**30.33**

3 Movement in deferred tax assets and liabilities
For the year ended on March 31, 2017

Particulars	As at April 1, 2016	Credit/(charge) in the Statement of Profit and Loss Income	Credit/(charge) in Other Comprehensive	As at March 31, 2017
Deferred tax assets/(liabilities)				
Accelerated depreciation for tax purposes	(14.26)	1.11	-	(13.15)
Deferred tax expense on fair valuation of investment				
Provision for doubtful debt and Gratuity	4.46	(3.34)	-	1.12
	(9.80)	**(2.23)**	**-**	**(12.03)**

For the year ended on March 31, 2018

Particulars	As at March 31, 2017	Credit/(charge) in the Statement of Profit and Loss Income	Credit/(charge) in Other Comprehensive	As at March 31, 2018
Deferred tax assets/(liabilities)				
Accelerated depreciation for tax purposes	(13.15)	2.13	-	(11.02)
Deferred tax expense on fair valuation of investment	-	-	-	-
Provision for doubtful debt	1.12	(0.54)	0.01	0.59
	(12.02)	**1.59**	**0.01**	**(10.43)**

- - -

4 Current tax assets and liabilities

Particulars	As at March 31, 2018	1st April 2017	1st April 2016
Current			
Current tax assets	-	-	-
Current tax liabilities	16.97	-	-

Note 25 : Employee benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under PF and other schemes operated by government.

Amount of Rs. 6,73,662 (P.Y. : Rs. 4,32,248) is recognised as expenses and included in Note 30 "Employee benefit expense".

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Provident fund	4.56	2.79
ESIC	2.18	1.53
	6.74	**4.32**

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

March 31, 2018 : Changes in defined benefit obligation and plan assets

	As at March 31, 2018		As at March 31, 2017	
Gratuity - Defined benefit obligation				
Opening Balance	0.86		-	
Gratuity cost charged to statement of profit and loss				
Service cost	0.73		0.86	
Net interest expense	0.06		-	
Transfer in / (out) obligation	-		-	
Sub-total included in statement of profit and loss		1.66		0.86
Benefit paid				
Remeasurement gains/(losses) in other comprehensive income				
Return on plan assets (excluding amounts included in net interest expense)	-		-	
Actuarial changes arising from changes in demographic assumptions	-		-	
Actuarial changes arising from changes in financial assumptions	(0.01)		-	
Experience adjustments	0.06		-	
Sub-total included in OCI	**-**	0.05		-
Defined benefit obligation		1.71		0.86
Fair value of plan assets				
Total benefit liability		**1.71**		**0.86**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Discount rate	7.80%	7.50%
Future salary increase	10% for first three years and 7% thereafter	10% for first three years and 7% thereafter
Attrition rate	Up to 30 Years - 3%	Up to 30 Years - 3%
	31-44 Years - 2%	31-44 Years - 2%
	Above 44 Years - 1%	Above 44 Years - 1%
Mortality rate during employment (% of IALM 06-08	100%	100%

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars		Increase) / decrease in defined benefit obligation (Impact)	
	Sensitivity level	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity			
Discount rate	1% increase	0.17	0.08
	1% decrease	(0.20)	(0.09)
Salary increase	1% increase	(0.20)	(0.09)
	1% decrease	0.17	0.08
Attrition Rate	1% increase	0.01	0.01
	1% decrease	(0.01)	(0.01)
		-	-
Mortality Rate	1% increase	(0.00)	(0.00)
	1% decrease	0.00	0.00

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	0.02	0.00
Between 2 and 5 years	0.15	0.07
Beyond 5 years	5.10	2.04
Total expected payments	**5.28**	**2.12**

Weighted average duration (years) of defined plan obligation (based on discounted cash flows)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity	11 Years	10 Years

C. Other Long term employee benefit plans

Company does not have any other Long term employee benefit plans for the aforsaid period.

Note No:- 26 REVENUE FROM OPERATIONS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Sale of Manufactured Goods	2,202.82	2,572.24
Total	**2,202.82**	**2,572.24**

Note No:- 27 OTHER INCOME

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Interest Income On :		
Loans Granted	0.12	171.46
Late payment from customers	-	247.95
	-	-
Share of Profit/ (Loss) from Partnership Firm	(8.59)	1.50
Short Term Capital Gain on Mutual Fund (STT not paid)	0.09	-
Reversal of Bank Charges	-	15.47
Rebate and Discount	0.06	-
Loyalty Bonus Income (SRIA)	1.46	-
Net Gain on Foreign Currency Transaction	177.85	-
MTM Gain on Fair value of Mutual Fund	(0.05)	0.04
Total	**170.95**	**436.42**

Note No:- 28 COST OF CONSUMPTION OF RAW MATERIALS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Inventory at the Beginning of the Year	2,047.84	-
	-	-
Add: Ship Purchase for Recycling	-	4,376.37
	2,047.84	**4,376.37**
Less: Inventory at the end of the Year	21.18	2,047.84
Cost of Consumption of Raw Materials	**2,026.66**	**2,328.53**

Note No:- 29 CHANGES IN INVENTORIES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Inventory at the Beginning of the Year	-	-
Less : Inventory at the End of the Year	31.35	-
Total	**(31.35)**	**-**

Note No:- 30 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
Salaries & Wages	60.89	44.92
Bonus Expenses	3.77	5.42
Contribution to Provident Funds	4.56	2.79
Contribution to ESIC	2.18	1.53
Staff Welfare Expenses	0.78	0.96
Provision for Gratuity	0.80	0.86
Total	**72.97**	**56.49**

Note No:- 31 FINANCE COSTS

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
FINANCE CHARGES		
Bank Commission & Charges	0.06	0.18
LC Charges	-	0.37
INTEREST PAID TO :		
Borrowing from Bank	0.01	4.64
Car Loan	-	0.02
Late payment of Statutory Dues	0.01	0.04
Late payment to Suppliers	30.38	146.78
Total	**30.45**	**152.03**

Note No:- 32 OTHER EXPENSES

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gases & Carbide	35.77	47.78
Consumable Expenses	3.65	2.20
Plot Rent & Development Charges	13.98	14.85
Repair & Maintenance	0.47	1.01
Power & Fuel Expenses	1.64	1.22
Pollution Control Expenses	0.20	0.52
Other Manufacturing Expenses	1.36	1.34
Provision for Doubtful debt	(2.21)	(11.66)
Accounting Charges	1.20	1.17
Advertisements	0.33	0.30
Electricity Charges	1.61	0.16
Computer Charges	0.10	0.06
Donation	0.08	0.20
Filing Fees	0.20	0.05
Fees & Subscription	0.08	0.13
Insurance Expanses	0.07	-
Legal & Professional Expenses	7.34	7.49
Other Expenses	0.62	1.63
Payment to Auditors	1.16	1.04
Printing & Stationery	0.63	0.89
Professional Tax	0.02	0.02
Postage & Courier	0.39	0.19
Rent, Rates & Taxes	0.77	0.97
Security Charges	0.41	-
Service Tax Expenses	2.12	6.78

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
Share Demat Charges	0.01	0.01
Telephone Expenses	0.86	1.12
Travelling Expenses	8.04	5.98
Vehicle Running & Maintenance	4.63	3.64
Business Promotion	3.77	5.17
Brokerage & Commission Expenses	4.88	8.17
Sales Tax Expense	0.08	0.19
Total	**94.25**	**102.61**

Note 33: Related Party transactions

Related party disclosures, as required by Ind AS 24, " Related Party Disclosures", are given below.

(A) Particulars of related parties and nature of relationships

Name of the related parties

A. Companies over which Key Management Personnel and their relatives are able to exercise significant influence

1. Hariyana International Private Limited
2. Shree Balaji Associates
3. Hariyana Air Products
4. Calvine Divine Enterprise

B. Key Management Personnel

Executive directors

1. Rajeev Reniwal

Non Executive directors

2. Sweety Reniwal - Non Executive Director

Company Secretary

3. Arpita Doshi - Company Secretary

C. Relatives of Key Management Personnel

Unnati Reniwal

(B) Related party transactions and balances

The details of material transactions and balances with related parties (including those pertaining to discontinued operations) are given below:

a) Transaction during the year		For the Year ended March 31, 2018	For the Year ended March 31, 2017 Interest
1	**Sales and other operating income**		
	(i) Other operating income / Other income		
	Interest Income		
	Shree Balaji Associates	-	142.16
	Calvine Divine Enterprise	-	29.20
		-	171.35
	Share of Profit/ (Loss) from the firms		
	Shree Balaji Associates	(8.59)	1.50
		(8.59)	1.50
	Exchange Gain		
	Hariyana International Private Limited	177.85	-
		177.85	-
2	**Purchases**		
	Highseas Purchases		
	Hariyana International Private Limited	-	4,237.31
		-	4,237.31
	Oxygen Gas Purchases		
	Hariyana Air Products	21.29	29.23
		21.29	29.23
3	**Interest paid**		
	Shree Balaji Associates	30.38	-
	Hariyana International Private Limited	-	146.78
		30.38	146.78
4	**Remuneration Paid**		
	Radha Sharma	0.35	3.85
	Arpita Doshi	3.50	-
	Unnati Reniwal	4.20	4.20
		8.05	8.05

** Leave encashment and gratuity benefits which is based on actuarial valuation on an overall company basis is not included in the above.*

5	**Investment in Partnership Firms**		
	Capital Introduced		
	Shree Balaji Associates - Current Capital	3,970.04	770.00
		3,970.04	770.00
	Capital Withdrawan		
	Shree Balaji Associates - Current Capital	458.00	6,235.95
		458.00	6,235.95

b) Balances at the end of the year

	Particulars	March 31, 2018	As at 1st April 2017	1st April 2016
1	Outstanding Payables			
	Hariyana International Private Limited	-	2,129.26	12,048.76
		-	2,129.26	12,048.76
2	Investments Balance at the end of the period	0.25	0.25	0.25
	Shree Balaji Associates - Fixed Capital	0.10	0.10	0.10
	Calvin Divine Enterprise - Fixed Capital	272.52	272.52	243.33
	Calvin Divine Enterprise - Current Capital	3,154.14	(318.93)	5,003.37
	Shree Balaji Associates - Current Capital	3,427.01	(46.05)	5,247.05

Note 34 : Financial assets and liabilities

Financial assets by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in												
-- Associates (as per Equity Method)	272.62				272.62				243.43			
- Partnership Firm	3,154.39				0.25				5,003.62			
- Mutual fund - Quoted		-				0.66				0.61		
- Equity shares - Quoted		0.01				0.01				0.00		
Trade receivables				10.49				94.85				11,744.22
Loans				61.49				59.92				46.72
Cash & cash equivalents (including other bank balances)				23.93				49.02				52.36
Other financial assets												
- Advance given for proposed Business Venture				348.00				3,846.12				3,846.12
Total Financial assets	**3,427.01**	**0.01**	**-**	**443.91**	**272.87**	**0.66**	**-**	**4,049.92**	**5,247.05**	**0.62**	**-**	**15,689.42**

Financial liabilities by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings												1.45
Trade payables				-				2,129.26				13,213.76
Other financial liabilities												
- Current maturities				-				-				1.92
- Expenses Payable				0.83				0.66				-
- Other financial liabilities				-				318.93				-
Total Financial liabilities	**-**	**-**	**-**	**0.83**	**-**	**-**	**-**	**2,448.85**	**-**	**-**	**-**	**13,217.14**

Note 35 : Fair values

1 Quantitative disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	-	-	-	-
Equity shares-Quoted	0.01	-	-	0.01

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017 (Valuation date - March 31, 2017)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	0.66	-	-	0.66
Equity shares-Quoted	0.01	-	-	0.01

Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016 (Valuation date - April 1, 2016)

	Fair value measurement using			
Particulars	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	0.61	-	-	0.61
Equity shares-Quoted	0.00	-	-	0.00

2 Quantitative disclosures fair value measurement hierarchy for liabilities

Company does not have any financial liability which is measured either at Fair value through profit and loss account or measured at Fair value through other comprehensive income.

Note 36 : Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that 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. It is the Company's policy that no trading in fianancial instruments for speculative purposes may be undertaken.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net assset value("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates, which as on the end of the year are Nil.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount			Reporting Currency Amount (Rupees)		
	As at			As at		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Accounts Payable						
USD	-	-	1.72	-	-	1,165.00

Other market risks

The Company's investments in various mutual funds, debentures and bonds are susceptible to market price risk arising from the uncertainity about future values/ future NAV values of such mutual funds, debentures, bonds and preference shares. The Company manages such risk through diversification of such investments. Reports on the the investment portfolio are submitted to the Company's senior management on a regular basis that helps the senior management to take investment decisions.

Sensitivity impact analysis

Particulars	Change in NSE/BSE index	Effect on profit before tax
As at March 31, 2018		
Investment in mutual funds	10%	-
	-10%	-
As at March 31, 2017		
Investment in mutual funds	10%	0.066
	-10%	(0.066)

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) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on market feedback and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

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 independent markets.

Trade receivables are non-interest bearing and are generally on 14 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended						
March 31, 2018						
Borrowings (including current maturities of long-term borrowings)	-	-	-	-	-	-
Trade & other payables	-	-	-	-	-	-
Other current financial liabilities	0.16	0.67	-	-	-	0.83
	-	-	-	-	-	-
March 31, 2017						
Borrowings (including current maturities of long-term borrowings)	-	-	-	-	-	-
Trade & other payables	-	-	2,129.26	-	-	2,129.26
Other current financial liabilities	319.19	0.41	-	-	-	319.59
	-	-	-	-	-	-
April 1, 2016						
Borrowings (including current maturities of long-term borrowings)	-	-	1.45	-	-	1.45
Trade & other payables	-	-	13,213.76		-	13,213.76
Other current financial liabilities	-	-	1.92	-	-	-1.92

Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Particulars	As at		
	March 31, 2018	**1st April 2017**	**1st April 2016**
Interest-bearing loans and borrowings	-	-	3.38
Trade Payable	-	2,129.26	13,213.76
Less: cash and cash equivalent	23.93	49.02	52.36
Net debt	**-23.93**	**2,080.24**	**13,164.78**
Equity share capital	401.73	401.73	401.73
Other equity	3,695.39	3,671.33	3,612.05
Total capital	**4,097.12**	**4,073.05**	**4,013.77**
Capital and net debt	**4,073.19**	**6,153.29**	**17,178.55**
Gearing ratio (%)	***-0.59%***	***33.81%***	***76.63%***

Company does not have any Short term or long term borrowings as on 31st March 2017 and 31st March 2018.

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 1, 2016.

Note 38 : Segment information

The Group's business segments are identified based on the geographic locations of its units and the internal business reporting system as per Ind AS 108. Business segments of the company are primarily categorized as: Mumbai (Trading Investment)and Bhavnagar.

Particulars	Mumbai (Trading & Investment)	Bhavnagar (Ship Breaking)	Total
i. Segment Revenue			
Gross Revenue	**-**	**2,202.82**	**2,202.82**
	-	*2,572.24*	*2,572.24*
Less: Intersegmental revenue	-	-	-
	-	-	-
Revenue from operations	**-**	**2,202.82**	**2,202.82**
	-	*2,572.24*	*2,572.24*
Other Income (after inter segment eliminations)	**(8.42)**	**179.37**	**170.95**
	436.42	*-*	*436.42*
]ii. Segment Results			
Total Segment Profit before Interest and Tax	**(12.28)**	**82.21**	**69.93**
	426.06	*(188.94)*	*237.12*
Interest Expenses			0.00
			0.00
Share of profit / (loss) of associates			-
			-
Profit before Tax			**69.93**
			237.12
Taxes			0.00
			0.00
Profit after Tax (including share of profit / (loss) of associates)			**69.93**
			237.12
iii. Segment Assets	**3,865.44**	**275.71**	**4,141.15**
	4,209.27	*2,370.42*	*6,579.70*
Investment in Equity Accounted Associates			**0.00**
(included in above segment assets)			*0.00*
iv. Segment Liabilities	**32.97**	**11.06**	**44.04**
	479.30	*2,027.34*	*2,506.64*

(Figures in italics are in respect of the previous year)*

a) Revenue from external sources includes income from sale of manufactured goods.

b) Carrying amount of segment assets comprises of non-current assets and current assets identified to respective segments.

Operating Revenue

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
- From Outside India	-	-
- From India	2,202.82	2,572.24

Productwise Revenue

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
- Waste & Scrap of Iron and Steel	2,202.82	2,572.24

Note 39 : Basis of consolidation

1. The Consolidated Financial Statements relate to Inducto Steel Limited (the Parent Company) and its associates (the Parent Company and its associates together constitute "the Group").

2. Principles of consolidation

a. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 (IND AS 110) "Consolidated Financial Statements", Indian Accounting Standard 28 (IND AS 28) "Investments in Associates and Joint Ventures" prescribed under Section 133 of the Companies Act, 2013.

b. The following associates have been considered in the preparation of Consolidated Financial Statements of the Group in accordance with Indian Accounting Standard (IND AS) 28 "Investments in Associates *(as per Equity Method)* :

			% of ownership interest		
Sr. No.	**Name of the Associates**	**Country of Incorporation**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
1	Calvin Divine Enterprise LLP	India	20.00%	20.00%	20.00%

3. Additional Information, as required under Schedule III to the Companies Act, 2013 entities consolidated as associates

(Rs. in Lakhs)

		Net Assets		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Sr. No.	**Name of the Entity**	**As % Consolidated Lakhs)**	**Amount (Rs. in in Lakhs)**	**As % Consolidated Profit or (Loss)**	**Amount (Rs. in Lakhs)**	**As % Consolidated Profit or (Loss)**	**Amount (Rs. in Lakhs)**	**As % Consolidated Profit or (Loss)**	**Amount (Rs. in Lakhs)**
	Parent Company								
1	Inducto Steel Limited	93.35	3,824.50	100.00	24.10	100.00	(0.04)	100.00	24.07
	Indian Associates (Investment as per the equity method)								
2	Calvin Divine Enterprise LLP	6.65	272.62	0.00	-	0.00	-	0.00	-
	Sub Total	**100.00**	**4,097.12**	**100.00**	**24.10**	**100.00**	**(0.04)**	**100.00**	**24.07**
	Add/ (Less): Effect of intercompany adjustments/ eliminations								
	Total	**100.00**	**4,097.12**	**100.00**	**24.10**	**100.00**	**(0.04)**	**100.00**	**24.07**

Notes:

Net Assets and Share of Profit or Loss for Parent Company and Associates are as per the Standalone/ Consolidated Financial Statements of the respective entities .

Note 40 : Contingent Liabilities

Particulars	As at		
	March 31, 2018	1st April 2017	1st April 2016
To the extent not acknowledged as debts :			
a. Disputed demand under :			
(i) Income tax	58.10	74.68	71.40
(ii) Sales tax	-	25.27	25.27
(iii) Excise duty	-	-	17.64

The company does not anticipate any liability except above on account of pending income tax and sales tax assessments.

Note 41 : Earnings per Share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic & Diluted EPS		
Computation of Profit (Numerator)		
(i) Profit/(loss) from continuing operations	24.07	59.28
Weighted Average Number of Shares (Denominator)	**Nos.**	**Nos.**
Weighted average number of Equity shares of Rs.10 used for calculation of basic and diluted earnings per share	4,017,254	4,017,254
Basic & Diluted EPS (in Rupees)		
(i) Continuing operations	0.60	1.48

Note 42 : Expenditure for corporate social responsibility activities

For the financial year ended March 31, 2018, provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and Rules thereon do not apply to the company.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Amount Required to be spent by the Company	-	8.32
Amount spent during the year on :		
(a) Construction / Acquisition of any asset	-	-
(b) On Purpose other than (a) above	-	-
(c) Non utilized amount	-	8.32

1. The Company does not carry any provisions for Corporate Social Responsibility expenses for current year and previous year.

2. Management and CSR Committee are in the process of finding better avenues of CSR Expenditure to be incurred in near future.

Note 43 : Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note 44 : Payment to Auditors

Details of payment to Auditors are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fees and tax audit fees	0.92	0.86
Certification and other services	0.24	0.17
Total	**1.16**	**1.04**

Note 45 : Other Notes

i) The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the standalone financial statements of the Company prepared in accordance with previous GAAP.

As per our report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**INDUCTO STEELS LIMITED**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Sonam Langalia	**Rajeev Reniwal**	**Sweety Reniwal**	**Arpita Doshi**
Partner	Director	Director	Company Secretary
M. No. 154014	(DIN 00034264)	(DIN 00041853)	(M. No. 45554)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018