

SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED

Corporate Office:- F-32/3, Okhla Industrial Area, Phase-II, New Delhi- 110020

Regd. Office & Works:- A-26 UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, U.P.-203205

Sandila Works: Plot No. B-2/6 & B-2/7, UPSIDC Industrial Area-Phase-IV, Sandila, District Hardoi U.P.

E. id:- secretarial@shrigangindustries.com **web.:-** www.shrigangindustries.com **Tel. No.:** 011-42524454

August 29, 2019

To,
The Executive Director
BSE Limited
Floor 25, P J Towers
Dalal Street
Mumbai-400001

Sub: Submission of 30th Annual Report for the FY 2018-19

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the copy of the 30th Annual Report of the Company for the FY 2018-19.

Kindly take note of the same and acknowledge the receipt.

Thanking You
Yours Truly

For Shri Gang Industries and Allied Products Limited
For SHRI GANG INDUSTRIES &
ALLIED PRODUCTS LTD.


(Company Secretary)

Kanishka Jain
(Company Secretary)

Encl: as above

**30TH ANNUAL REPORT
2018 - 2019**

**SHRI GANG INDUSTRIES AND
ALLIED PRODUCTS LIMITED**

CIN NO: L01112UP1989PLC011004

CORPORATE INFORMATION

| | |
|---|--|
| Whole Time Director | Mr. Syed Azizur Rahman |
| Whole Time Director | Mr. Sunil Goel |
| Non- Executive Non Independent Director | Mrs. Anita Gupta |
| Non- Executive Independent Director | Mr. Yogesh Kumar |
| Non- Executive Independent Director | Mr. Surendra Mohan Sikka |
| Chief Financial Officer | Mr. Anil Kumar Gupta |
| Company Secretary & Compliance Officer | Ms. Kanishka Jain |
| Bankers | HDFC Bank Ltd |
| Statutory Auditors | M/s Satendra Rawat & Company, Chartered Accountants |
| Secretarial Auditor | M/s Monika Kohli & Associates Company Secretaries |
| Registered Office | A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh- 203205, Contact No. +91-05735-222568 |
| Corporate Office | F-32/3, Second Floor, Okhla Industrial Area, Phase- II, New Delhi-110020, Contact No. +91-11-42524454 |
| Share Transfer Agent | Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062 Contact No. +91-11-2996 1281/83 |

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NOTICE OF 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth Annual General Meeting of the members of **M/s Shri Gang Industries and Allied Products Limited** will be held on Tuesday, September 24, 2019 at 1:00 P.M. at the Registered Office of the Company at A-26 UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019, together with the reports of Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Syed Azizur Rahman (DIN: 00242790), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 152(2) of the Companies Act, 2013 read with the Companies (Appointment & Qualifications of Directors) Rule, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to appoint Mrs. Anita Gupta (DIN: 00243804) who was appointed as an Additional Director of the Company w.e.f. March 06, 2019 by the Board of Directors pursuant to section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting be and is hereby appointed as Director of the Company ."

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

"RESOLVED THAT pursuant to Sections 196, 197, 198, 203 read with Schedule V, the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, applicable clauses of the Articles of Association of the Company and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and recommendation of the Nomination & Remuneration Committee, the consent of the members be and is hereby accorded for the appointment of Mr. Sunil Goel (DIN: 01229459), as Whole-Time Director of the Company designated as Key Managerial Personnel for a period of 1 (One) year with effect from February 14, 2019 at a remuneration of Rs. 2,50,000 /- per month (Rupees Two Lakh Fifty Thousand per month) with a proviso that the remuneration shall be payable from the day of commencement of production at the Manufacturing Unit of the Company being set up at Sandila, Dist. Hardoi, Uttar Pradesh."

"RESOLVED FURTHER THAT No sitting fees will be paid to Whole Time Director for attending meeting of the Board of Directors or any committee thereof."

"RESOLVED FURTHER THAT in the absence or inadequacy of profits in the Financial Year during the currency of tenure of the Whole Time Directors, the remuneration payable to the Whole Time Director shall not exceed the maximum limits prescribed under Section II Part II of Schedule V of the Companies Act, 2013."

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

"RESOLVED THAT pursuant to Section 196, 197, 198, 203 read with Schedule V, the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded for the re-appointment of Mr. Syed Azizur Rahman, as Whole-Time Director of the Company designated as Key Managerial Personnel at a total remuneration of Rs. 1,50,000/- (Rs. One Lakh Fifty Thousands only) per month for a period of Two (2) years w.e.f 9th May, 2019 on the terms and conditions as the Board may deem fit in this regard."

"RESOLVED FURTHER THAT in the absence or inadequacy of profits in the Financial Year during the currency of tenure of the Whole Time Director, remuneration payable to the Whole Time Director shall not exceed the maximum limits prescribed under Section II Part II of Schedule V of the Companies Act, 2013."

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to borrow any sum or sums of money as its discretion on such terms and

conditions as the Board of Directors may deem fit, notwithstanding that the money to be borrowed by the Company together with the money already borrowed (apart from temporary loans obtained by the Company in its ordinary course of business from the Company's Bankers) from Banks, Financial Institutions and/or persons, firms, bodies corporate, including by way of debentures, bonds or any financial instruments or otherwise and whether secured or unsecured, may exceed the aggregate of the paid-up share capital of the Capital and its free reserves provided that the maximum amount of money so borrowed by the Board and outstanding at any time shall not exceed the sum of **Rs. 250 Crore (Rupees Two Hundred Fifty Crore only)**.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors (or a Committee thereof constituted for this purpose) be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in respect of the aforesaid borrowing(s) and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of **Rs. 25 Crore (Rupees Twenty-Five Crore only)** over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

"RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and are hereby authorized to negotiate and finalize all the terms and conditions etc. as it may consider fit in the interest of the company and to execute all agreements, deeds, undertakings, etc. and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("the Act"), the rules made thereunder and all other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to mortgage and/or charge any of the Company's movable and/or immovable properties wherever situated both present and future or to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a charge/mortgage/hypothecation on such terms and conditions at such time(s) and in such form and manner, in addition to the existing charges/mortgages/hypothecation/pledge created/ to be created by the Company, and with such ranking as to the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's one or more undertakings or all of the undertakings in favor of NBFCs/ Banks/ Central or State Government Departments/ Central or State Government undertakings/ State and other Financial Institutions, together with interest, cost, charges and expenses thereon for amount not exceeding **Rs. 150 Crore (Rupees One Fifty Crore Only)**.

"RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari-passu/subservient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating charge/mortgage or selling, leasing or otherwise disposing of the undertaking(s) of the Company and also to delegate all such powers to Director(s)/Officer(s) of the Company and

Authorized Representatives on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

**Sd/-
Kanishka Jain
(Company Secretary)
Membership No. 54347**

**Date: 13.08.2019
Place: New Delhi**

NOTES:

- a) **A member entitled to attend and vote at the Annual General Meeting (AGM) meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/herself and such proxy/ proxies need not be a member of the company.**

The instrument appointing the proxy duly completed and signed, must be deposited at the company's registered office not less than forty-eight hours before the commencement of the meeting. A proxy form is enclosed herewith.

Pursuant to the provisions of Section 105 of the Companies Act, 2013 read with Rule 19 of Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percentage of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percentage of the total share capital the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Corporate members are requested to send duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.

- b) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2019 to Tuesday, September 24, 2019 (both days inclusive) for the purpose of Annual General Meeting.
- c) The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses set out in Item no. 3 to 8 of this notice is annexed hereto.
- d) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the members at the registered office of the Company during business hours on any working day upto the date of the meeting and will also be available at the venue on the date of the meeting.
- e) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved there at, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' notice in writing of the intention so to inspect is given to the Company.
- f) Members holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and Beetal Financial Computer Services Private Limited, Registrar and Share Transfer Agent (Company's RTA), to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company or Company's RTA.
- g) As amended by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 08, 2018, members holding shares in physical form are mandatorily required to dematerialize their holding in order to eliminate all risks associated with physical shares. Members can contact the Company or the Company's RTA for further assistance.
- h) In case of joint holders, only such joint holder whose name appears as first holder in the order of names as per the Register of Members will be entitled to vote.
- i) Members desirous of obtaining any information concerning the accounts and operation of the Company requested to send their query to the Company at least 10 days before the date of the Annual General Meeting so as to enable the management to keep the information ready at the Annual General Meeting.
- j) The Securities and exchange Board of India (SEBI) vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated the submission of Permanent Account Number (PAN) and Bank details by every participant in securities market. Members holding shares in electronic form are requested to submit their PAN and Bank details to their Depository

Participant (DP) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank details to the Company or Company's RTA. Shareholders who have not updated their details are requested to send their PAN and Bank details in terms of the above said SEBI Circulars.

- k) Attendance Slip, Proxy form and the Route Map to the venue are annexed hereto. Members/Proxies are requested to sign at the place provided on the Attendance Slip and handover the same at the entrance of the Meeting.
- l) Members are requested to bring their copy of the Annual Report at the meeting.
- m) Electronic copy of the Annual Report and Notice of 30th Annual General Meeting of the Company along with the Attendance slip, Proxy form and instructions for e-voting are being sent to all the members whose e-mail ids are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their email address, physical copies of the Annual Report and Notice of the 30th Annual General Meeting of the Company along with the Attendance Slip, Proxy form and instructions for e-voting are being sent in the permitted mode.
- n) The Company has a dedicated E-mail address secretarial@shrigangindustries.com for members to mail their queries or lodge complaints, if any. The Company endeavors to reply to queries at the earliest. The Company's website www.shrigangindustries.com has a dedicated section on Investors.
- o) Member(s) may also note that the Notice of the Annual General Meeting and the Annual Report for the financial year 2018-19 will also be available on the Company's website www.shrigangindustries.com for download.
- p) Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
- q) As per Section 118(10) of the Companies Act, 2013 read with Secretarial Standards (SS-2) for general meeting issued by the Institute of Companies Secretaries of India "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting".
- r) The Company has been allotted ISIN (**INE241V01018**) by **CDSL** and (**IN8241V01017**) by **NSDL** for dematerialization of the company's shares. We hereby request all the members to get their shares dematerialized.

VOTING OPTIONS:

The business set out in the Notice of the AGM may be transacted through electronic voting system from a place other than the venue of the meeting (remote e-voting) or through Polling Paper at the AGM. Information relating to e-Voting facility and voting at the AGM is given below:

(1) Voting through electronic means:

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide facility to the members to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting (AGM) by electronic means and the items of business given in the Notice of AGM may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL).
- II. The facility for voting through poll shall be made available at the meeting and the member(s) attending the meeting who have not cast their vote by remote e-voting shall be entitled to cast their vote at the meeting through poll. No voting by show of hands will be allowed at the Meeting.
- III. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period will commence at 10:00 A.M. on September 21, 2019 and ends at 5:00 P.M. on September 23, 2019. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of September 17, 2019 ("**Cutoff date**"), may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by CDSL upon expiry of aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The instructions for remote e-Voting are as under:
 - A. In case of members receiving an e-mail from CDSL**

- i. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- ii. Click on “**Shareholders**” tab.
- iii. Now enter your User ID;
 - a. **For CDSL:** 16 digits beneficiary ID.
 - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a **first time user** follow the steps given below:

For members holding shares in Demat Form and Physical Forms:

| | |
|---|---|
| PAN* | <p><i>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</i></p> <ul style="list-style-type: none"> - <i>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</i> - <i>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA0000001 in the PAN field.</i> |
| Dividend Bank Details OR Date of Birth (DOB) | <p><i>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login.</i></p> <ul style="list-style-type: none"> • <i>If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in the instruction (iii).</i> |

- vii. After entering these details appropriately, click on “**SUBMIT**” tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the **EVS**N of Shri Gang Industries and Allied Products Limited which is **190809023**.
- xi. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- xiv. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting cast by you by clicking on “**Click here to print**” option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Note for –Non Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned certified true copy of the Board Resolution /Power of Attorney (POA)/Authority letter etc. which they have issued in favor of the Custodian, if any should be uploaded in PDF format in the system for the scrutinizer to email at csscrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com to verify the same.

xviii. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

xix. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

B. In case of members receiving physical copies of the Notice of the AGM

(i) Initial Password, along with User ID and EVSN is provided at the bottom of Attendance Slip.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xvi) above, to cast vote.

(1) Voting at AGM

The members who have not cast their vote by remote e-Voting can exercise their voting rights at the AGM via polling papers. The Company will make arrangements of Polling Papers in this regard at the AGM venue.

(2) Other Instructions

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evoting.cdsl.com or call at toll free no.: 1800-200-5533.
- II. If you are already registered with CSDL for remote e-Voting, you can use your existing User ID and Password for casting your vote.
- III. You can also update your mobile number and Email ID in the user profile details of the folio which may be used for sending future communication(s).
- IV. Voting rights (for voting through remote e-voting as well as Polling Paper) shall be reckoned on the paid up value of the shares registered in the name of the members of the Company as on Cut-off date i.e. September 17, 2019.
- V. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of the AGM and holding shares as on the Cut-off date i.e. September 17, 2019, may obtain the User ID and Password by sending a request (along with Name, Folio No. / DP ID & Client ID, as the case may be and shareholding) at helpdesk.evoting@cdslindia.com or RTA at beetalrta@gmail.com.

However, if you are already registered with CDSL for remote e-Voting then you can use your existing User ID and Password for casting your vote. If you forgot your Password, you can reset your Password by using “**Forgot User Details/ Password**” option available on www.evoting.cdsl.com or contact **CDSL on toll free no.: 1800-200-5533**.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

VI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners

maintained by the depositories as on the Cut-off date shall only be entitled to avail the facility of remote e-Voting as well as voting at the AGM through Polling Paper. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.

- VII. Mr. Deepak Kukreja, a Practicing Company Secretary (FCS No. 4140, C.P. No.: 8265) Proprietor, Deepak Kukreja & Associates, Company Secretaries, has been appointed as "Scrutinizer" to scrutinize the remote e-Voting and Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available at the AGM for the same purpose.
- VIII. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of Polling Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- IX. The poll process shall be conducted and a report thereon shall be prepared in accordance with the provisions of the Companies Act, 2013 read with the relevant rules made there under. In such an event, votes cast under Poll taken together with the votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s).
- X. The Scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-Voting, will, not later than forty-eight (48) hours of conclusion of the AGM, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorized by him in writing.
- XI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.shrigangindustries.com and on the website of the CDSL immediately after the declaration of result by the Chairman or a person authorized by him and the results shall also be communicated to the Stock Exchanges.
- XII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the 30th AGM scheduled to be held on 24th September, 2019.
- s) The route map of the venue for the Annual General Meeting is attached herewith.
- t) The relevant details of Directors proposed to be appointed/ reappointed, as required under Reg. 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards-2 on General Meetings are also annexed as **Annexure-A**.

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

Sd/-
Kanishka Jain
(Company Secretary)
Membership No. 54347

Date: 13.08.2019
Place: New Delhi

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

Pursuant to the provisions of section 161(1) of the Companies Act, 2013 and on recommendation of Nomination and Remuneration Committee, your Board of Directors had appointed Mrs. Anita Gupta as an Additional Director of the company w.e.f. March 06, 2019 and who will hold office till the date of ensuing Annual General Meeting (AGM) of the Company. Your Board of Directors has recommended her appointment as Director of the Company.

All the documents related to present appointment are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the Registered/ Corporate office of the company till the date of meeting.

Except Mrs. Anita Gupta, being an appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4

The Board of Directors at their meeting held on February 14, 2019, appointed Mr. Sunil Goel as Additional Director of the Company and further appointed him as the Whole Time Director of the Company for a term of One (1) year effective from

February 14, 2019, based on the recommendation of the Nomination and Remuneration Committee of the Board and subject to the approval of the Shareholders of the Company.

As the Company is in the process of setting up a Distillery with Bottling Plant at Sandila, Distt. Hardoi, Uttar Pradesh and reviving its edible oils business for which the existing manufacturing unit is to be modernized and upgraded. Mr. Sunil Goel is Masters in Business Administration (MBA) by qualification and has more than 30 years of rich experience in the field of trading and manufacturing of various diverse products. Taking into consideration his rich profile and in view of the increased responsibility, the Board appointed Mr. Sunil Goel as Whole Time Director of the Company subject to requisite approval.

In compliance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 4 are now being placed before the members for their approval by way of Ordinary Resolution.

STATEMENT CONTAINING THE RELEVANT DETAILS REQUIRED UNDER SCHEDULE V TO THE COMPANIES ACT, 2013 ARE AS STATED HEREUNDER:

I. GENERAL INFORMATION

| | | | | |
|-----|---|--|-----------------------|-----------------------|
| (1) | Nature of Industry | Shri Gang Industries and Allied Products Limited is engaged in the business of manufacturing & selling of Edible Oils. | | |
| (2) | Date or expected date of commencement of commercial production | The Company is in operation since 1989. | | |
| (3) | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable (As the Company is already in existence and is in operation) | | |
| (4) | Financial performance of the Company for the last 3 years is given below: | | | |
| | Particulars | Financial Year Ended | | |
| | | March 31, 2017 | March 31, 2018 | March 31, 2019 |
| | | (Amount in Rs.) | | |
| | Revenue | 6,885,712 | 130,334,441 | 43,964,886 |
| | Other Income | 885,318 | 1,481,718 | 6,512,864 |
| | Total Income | 7,771,030 | 131,816,129 | 50,477,750 |
| | Total Expenditure | 22,082,238 | 173,572,240 | 74,067,295 |
| | Profit (Loss) before Tax | (27,824,186) | (48,091,294) | (25,501,637) |
| | Profit/Loss after tax and adjustments | (27,824,186) | (48,091,294) | (25,501,637) |
| (5) | Foreign investments or collaborators, if any | Nil | | |

II. INFORMATION ABOUT THE APPOINTEE

MR. SUNIL GOEL AS WHOLE TIME DIRECTOR

| | | |
|-----|---|--|
| (1) | Background Details | Mr. Sunil Goel is Masters in Business Administration by qualification. |
| (2) | Past Remuneration | NIL |
| (3) | Recognition or Awards | -- |
| (4) | Job Profile and his suitability | Mr. Sunil Goel has more than 30 years' experience in the field of trading and manufacturing of various diverse products. |
| (5) | Remuneration Proposed | Rs. 2,50,000/- per month with a proviso that the remuneration shall be payable from the day of commencement of production at the Manufacturing Unit of the Company being set up at Sandila, Dist. Hardoi, Uttar Pradesh. |
| (6) | Comparative remuneration profile w.r.t industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. to the country of his origin) | The comparative remuneration ranges from Rs 1 lakh per month to Rs 3 lakh per month based on the information available in public domain. |
| (7) | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | He has no pecuniary relationship, directly or indirectly with the Company, or relationship with the Managerial Personnel. |

III. OTHER INFORMATION

| | | |
|-----|---|---|
| (1) | Reason for loss or inadequate profits | 1. Competition from large business houses/ MNC's which had set up refineries of huge capacity at port. Due to large Capacity they had advantage of economies of scale. 2. Gradual erosion in working capital due to continued losses |
| (2) | Steps taken or proposed to be taken for improvement | The Government of Uttar Pradesh has sanctioned a rehabilitation scheme for the company based on its policy for the revival of the sick units in the State. This would help the company to sustain its operations on a long term basis. The company has resumed its manufacturing operations on a limited scale during the FY 2016-17. The operations are now proposed to be scaled up after carrying out some essential modifications, additions and technological up gradations in the existing plant and equipment. Apart from this as a part of the rehabilitation scheme the company is setting up a Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi. The company has already been allotted land by UPSIDC in Sandila Industrial Area for setting up the unit. The civil works has commenced and the Bottling Plant shall be commissioned in FY 2019-20. The setting up of the new unit would help in the revival of the company. |
| (3) | Expected increase in productivity and profits in measurable terms | At present it is difficult to estimate the same. |

The Company effective capital comes in the category of "negative but less than Rs. 5 crores", therefore in terms of section II of part II of Schedule V, the Company can pay annual remuneration not exceeding Rs.60 lakh with approval of shareholders by way of Ordinary Resolution.

All the documents related to present appointment are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the registered/ Corporate office of the company upto the date of Meeting.

Your Directors recommend the resolution as set out at item no. 4 for your approval.

Except Mr. Sunil Goel, being an appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

Item No. 5

Pursuant to the provisions of Section 179 (3) read with Companies (Board and its Powers) Rules, 2014, Section 196, 197, 198 and 203 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V and other applicable provisions, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors of the company has re-appointed Mr. Syed Azizur Rahman (DIN-00242790) as Whole Time Director of the company designated as KMP at a total remuneration of Rs. 1,50,000/- (Rs. One Lakh Fifty Thousands only) per month for a period of two (2) years w.e.f. 9th May, 2019 subject to the approval of members of the company.

In compliance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the Act, the terms of appointment and remuneration as set out in Item No. 5 are now being placed before the members for their approval by way of Ordinary Resolution.

STATEMENT CONTAINING THE RELEVANT DETAILS REQUIRED UNDER SCHEDULE V TO THE COMPANIES ACT, 2013 ARE AS STATED HEREUNDER:**IV. GENERAL INFORMATION**

| | | |
|-----|---|--|
| (1) | Nature of Industry | Shri Gang Industries and Allied Products Limited is engaged in the business of manufacturing & selling of Edible Oils. |
| (2) | Date or expected date of commencement of commercial production | The Company is in operation since 1989. |
| (3) | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable (As the Company is already in existence and is in operation) |

| | | | |
|--|---|----------------|----------------|
| (4) | Financial performance of the Company for the last 3 years is given below: | | |
| Particulars | Financial Year Ended | | |
| | March 31, 2017 | March 31, 2018 | March 31, 2019 |
| | (Amount in Rs.) | | |
| Revenue | 6,885,712 | 130,334,441 | 43,964,886 |
| Other Income | 885,318 | 1,481,718 | 6,512,864 |
| Total Income | 7,771,030 | 131,816,129 | 50,477,750 |
| Total Expenditure | 22,082,238 | 173,572,240 | 74,067,295 |
| Profit (Loss) before Tax | (27,824,186) | (48,091,294) | (25,501,637) |
| Profit/Loss after tax and adjustments | (27,824,186) | (48,091,294) | (25,501,637) |
| (5) Foreign investments or collaborators, if any | Nil | | |

V. INFORMATION ABOUT THE APPOINTEE

MR. SUNIL GOEL AS WHOLE TIME DIRECTOR

| | | |
|-----|--|---|
| (1) | Background Details | Mr. Syed Azizur Rahman is Mechanical Engineer by qualification. |
| (2) | Past Remuneration | Rs. 1,50,000/- per month. |
| (3) | Recognition or Awards | -- |
| (4) | Job Profile and his suitability | He has 30 years of experience in manufacturing industry inclusive of 20 years as Unit Head/Business head of company in edible oil industry. |
| (5) | Remuneration Proposed | Rs. 1,50,000/- per month. |
| (6) | Comparative remuneration profile w.r.t industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be wrt to the country of his origin) | The comparative remuneration ranges from Rs 1 lakh per month to Rs 3 lakh per month based on the information available in public domain. |
| (7) | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | He has no pecuniary relationship, directly or indirectly with the Company, or relationship with the Managerial Personnel. However he is holding 100 Equity shares in the Company. |

VI. OTHER INFORMATION

| | | |
|-----|---|--|
| (1) | Reason for loss or inadequate profits | <ol style="list-style-type: none"> 1. Competition from large business houses/ MNC's which had set up refineries of huge capacity at port. Due to large Capacity they had advantage of economies of scale. 2. Gradual erosion in working capital due to continued losses |
| (2) | Steps taken or proposed to be taken for improvement | <p>The Government of Uttar Pradesh has sanctioned a rehabilitation scheme for the company based on its policy for the revival of the sick units in the State. This would help the company to sustain its operations on a long term basis. The company has resumed its manufacturing operations on a limited scale during the FY 2016-17. The operations are now proposed to be scaled up after carrying out some essential modifications, additions and technological up gradations in the existing plant and equipment.</p> <p>Apart from this as a part of the rehabilitation scheme the company is setting up a Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi. The company has already been allotted land by UPSIDC in Sandila Industrial Area for setting up the unit. The civil works has commenced and the Bottling Plant shall be commissioned in FY 2019-20. The setting up of the new unit would help in the revival of the company.</p> |
| (3) | Expected increase in productivity and profits in measurable terms | At present it is difficult to estimate the same. |

The Company effective capital comes in the category of “negative but less than Rs. 5 crores”, therefore in terms of section II of part II of Schedule V, the Company can pay annual remuneration not exceeding Rs.60 lakh with approval of shareholders by way of Ordinary Resolution.

All the documents related to present appointment are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the registered/ Corporate office of the company upto the date of Meeting.

Your Directors recommend the resolution as set out at item no. 5 for your approval.

Except Mr. Syed Azizur Rahman, being an appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

Item No. 6

Shareholders of the Company at their Extra-Ordinary General Meeting held on March 25, 2017 had authorized the Board of Directors to borrow upto Rs. 100 Crore. The Board of Directors at their meeting held on August 13, 2019 recommended to increase the limits upto Rs. 250 Crores (Rupees Two Hundred Fifty Crore) to meet the Business requirements as the Company is setting up a Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi.

Section 180 (1) (c) of the Companies Act, 2013, inter alia provides that the Board of Directors of the company shall not without the consent of members in general meeting borrow money from the different sources in excess of aggregate of the paid up capital and free reserves of the company. Therefore, it is necessary to obtain the approval of the members as per Section 180 (1) (c) of the Companies Act, 2013.

In this regard it is proposed to authorize the Board of Directors to borrow money in pursuance to the provisions of Section 180 (1) (c) of the Companies Act, 2013 from any Bank(s), Financial Institutions (FIs), NBFC, Bodies Corporate or Business Associates in excess of paid up capital and free reserves of the Company to the extent Rs. 250 Crores (Rupees Two Hundred Fifty Crores only) including the money already borrowed for the purpose of business activities of the Company.

Your Directors recommend the resolution as set out at item no. 6 for your approval by way of Special Resolution.

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

All the documents related to present appointment are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the registered/ Corporate office of the company upto the date of Meeting.

Item No. 7

The Company is exploring avenues for making investments/giving loans to other bodies corporate and persons having good business potential in the beneficial interest of the Company.

Pursuant to the provisions of section 186 of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account. Accordingly, it is proposed to obtain approval of shareholders by way of special resolution for making inter-corporate investments/loans/guarantee or providing any security upto a sum of Rs. 25 Crore (Rupees Twenty-Five Crore Only).

Your Directors recommend the resolution set out in item no. 7 for your approval by way of Special Resolution.

All the documents related to the above resolution are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the registered/ corporate office of the company.

None of the Director, Manager, Key Managerial Personnel and their relatives is interested as mentioned above or concerned, financially or otherwise in the resolution.

Item No. 8

The Board of Directors of the Company in their meeting held on August 13, 2019 had recommended to mortgage and/or charge, any of its undertakings, wherever situated both present and future or to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company in addition to the existing charges/mortgages/hypothecation/pledge created/ to be created by the Company on the whole or substantially the whole of the Company's one or more undertakings or all of the undertakings in favor of NBFCs/ Banks/ Central or State Government Departments/ Central or State Government undertakings/ State and other Financial Institutions, together with interest, cost, charges and expenses thereon, for an amount not exceeding **Rs. 150 Crore (Rupees One Fifty Crore Only)** to secure loans borrowed or to be borrowed or to secure dues

towards any State or Central Government Department.

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, it is necessary to take approval of members by way of Special Resolution for enabling the Board to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings by way of charge/mortgage/hypothecation/pledge. Accordingly, your Directors recommend the resolution set out in item no. 8 for your approval by way of Special Resolution.

All the documents related to the above resolution are available for inspection at the meeting, and such documents shall also be available for inspection in physical or in electronic form during business hours at the registered/ corporate office of the company upto the date of meeting.

None of the Director, Manager, Key Managerial Personnel and their relatives is interested as mentioned above or concerned, financially or otherwise in the resolution.

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

**Date: 13.08.2019
Place: New Delhi**

**Sd/-
Kanishka Jain
(Company Secretary)
Membership No. 54347**

“Annexure A”

Details of Directors seeking Appointment/Re-Appointment at the Annual General Meeting of the Company (Pursuant to Reg. 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

| S. No. | Particulars | Name of Director | | |
|--------|---|--|---|--|
| | | Mr. Sunil Goel | Mrs. Anita Gupta | Mr. Syed Azizur Rahman |
| 1. | DIN No. | 01229459 | 00243804 | 00242790 |
| 2. | Date of Birth | 29.10.1954 | 10.04.1958 | 15.10.1962 |
| 3. | Age | 65 Years | 61 Years | 57 Years |
| 4. | Date of Appointment on the Board | 14.02.2019 | 06.03.2019 | 14.03.2016 |
| 5. | Qualifications | Master's in Business Administration | Bachelors in Arts | Mechanical Engineer |
| 6. | Experience in specific functional area | He has more than 30 years' experience in the field of trading and manufacturing of various diverse products. | She has more than 20 years of rich experience in the field of administration. | He has 30 years of experience in manufacturing industry inclusive of 20 years as Unit Head/Business head of company in edible oil industry. |
| 7. | No. of equity shares held in the Company (as on 31st March, 2019) | NIL | 586,780 | 100 |
| 8. | List of other Directorships | <ul style="list-style-type: none"> • Bolt Sports Technologies Private Limited • Sahil Exim Private Limited | <ul style="list-style-type: none"> • Prudent Breweries and Distilleries Private Limited • Mehak Buildwell Private Limited • Express Infra Financial Consultancy Private Limited • Pinnacle Greens Private Limited • Vindeshwari Exim Private Limited • VRV Hospitality Private Limited • Delhi Liquors Limited | <ul style="list-style-type: none"> • Suraj Industries Ltd. • Gold Coin Marketing Private Limited |
| 9. | Membership/ Chairmanship of Committees of the other Companies | NIL | NIL | <u>Suraj Industries Ltd.</u> <ul style="list-style-type: none"> • Audit Committee-Member • Stakeholders and Relationship Committee- Member |
| 10. | Relationships, between Directors inter se | No | No | No |
| 11. | Number of Board Meetings attended during the year | One | NIL* | Seven |

*Mrs. Anita Gupta was appointed as Director w.e.f. 06.03.2019, after her appointment, no BM was held.

By Order of the Board
For Shri Gang Industries and Allied Products Limited

Date: 13.08.2019
Place: New Delhi

Sd/-
Kanishka Jain
(Company Secretary)
Membership No. 54347

DIRECTORS' REPORT

To,
The Members,

Shri Gang Industries and Allied Products Limited

Your Directors are delighted to present the Thirtieth Annual Report on Company's Business Operations along with the Audited Statement of Accounts for the year ended on March 31, 2019.

FINANCIAL PERFORMANCE OF THE COMPANY

The financial performance of the Company for the period under review and comparative figures for the previous year are tabulated below:

(Rs. In Lakh)

| Particulars | 2018-2019 | 2017-2018 |
|--|-----------------|-----------------|
| Income from Operations | 439.65 | 1303.34 |
| Other Incomes | 65.12 | 14.82 |
| Total Revenue | 504.77 | 1318.16 |
| Profit/(Loss) before Depreciation, Exceptional & Extra-Ordinary Items | (214.40) | (396.30) |
| Depreciation | (21.49) | (21.26) |
| Exceptional Items | | |
| - Prior Period Expenses | (19.12) | (20.70) |
| - Old & unusable materials written off | - | - |
| - Impairment of Capitalised property, plant & equipment | - | (1.55) |
| - Capital WIP Written off | - | (39.74) |
| - Provision for Trade receivables considered doubtful | - | (1.36) |
| Net Profit (Loss) after depreciation before tax | (255.01) | (480.91) |
| Provision for Taxation | | |
| Income Tax | - | - |
| Net Profit/(Loss) after tax for the year | (255.01) | (480.91) |

PERFORMANCE OF BUSINESS

During the year ended, the Company has incurred loss of Rs. 255.01 lakh as compared to the loss of Rs. 480.91 lakh in last year.

During the year the company has been able to reduce the losses as compared to last year and the company is making efforts to increase the capacity utilization to further minimize the losses.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

In FY 2016-17, the Hon'ble BIFR and Government of Uttar Pradesh had sanctioned a rehabilitation scheme for the revival of the company. As per the scheme, the company has to pay the past dues of Commercial Tax Department, PICUP and Paschimanchal Vidut Vitran Nigam Ltd (PVVNL) over a period of 12 years.

Based on these developments the company resumed its manufacturing operations in its Vanaspati unit on a limited scale. In the current year the company was not able to scale up its operations to the desired level as PVVNL had not restored the power connection to the unit. Now the power connection has been restored to the Unit. The operations would be gradually scaled after carrying out some essential modifications, additions and technological up gradations in the existing plant and equipment.

As a part of the rehabilitation scheme the company is setting up a grain based Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi. The company has already been allotted land by UPSIDC in Sandila Industrial Area for setting up the unit.

The company has received Environmental Clearance for the Distillery Unit from the State Level Environment Impact Assessment Authority, Uttar Pradesh. As regards, the Bottling Unit, the company has obtained Consent to Establish from the UP Pollution Control Board and the Bottling Unit is under erection and is expected to commence commercial production in FY 2019-20.

A detailed review of operations and performance and future outlook of the Company is given separately under the head 'Management Discussion & Analysis' pursuant to Regulation 34 read with Part B of Schedule V of SEBI Listing Regulations, and the same is annexed and forms part of this Annual Report.

DIVIDEND

Based on the Company's performance in the Current Year, your Directors are unable to recommend any dividend for the year under review.

AMOUNTS TRANSFERRED TO RESERVES

Due to inadequate profits, the company has not transferred any amount to reserves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Narendra Singh Bisht (DIN: 01881694), relinquished the position of Independent Director of the company with effect from July 13, 2018 and thereby casual vacancy was caused. Pursuant to the provisions of Section 149, 152 and 161(1) of the Companies Act, 2013 read with the Companies (Appointment & Qualifications of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force), SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and on the recommendation of Nomination and Remuneration Committee, Mr. Surendra Mohan Sikka (DIN: 07018508) was appointed as Additional Director in the category of Non-Executive Independent Director of the Company with effect from July 13, 2018 and subsequently he was appointed as Independent Director by the members in the Annual General Meeting held on September 28, 2018.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Mr. Sunil Goel (DIN: 01229459) was appointed as an Additional Director on the Board of the Company w.e.f. February 14, 2019. He was further appointed as Whole Time Director of the Company pursuant to Sections 179(3), 196, 197, 198, 203 read with Schedule V, the Companies (Meeting

of Board and its Powers) Rules, 2014, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, applicable clauses of the Articles of Association of the Company and (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) w.e.f. February 14, 2019 subject to approval of members. Appropriate resolution for his appointment is being placed for your approval in the ensuing Annual General Meeting.

Mrs. Shuchi Bahl, (DIN: 02332887) vacated the office as Non-Executive Non-Independent Director of the Company with effect from March 06, 2019. To fill the casual vacancy caused by the resignation of Mrs. Shuchi Bahl, Mrs. Anita Gupta (DIN: 00243804) was appointed as Additional Director on the Board of the Company w.e.f. March 06, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013. Appropriate resolution seeking her appointment forms part of the Notice of the ensuing Annual General Meeting.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, executive directors and non-executive directors except the Independent Directors are subject to retire by rotation. Based on the terms of appointment and the Articles of Association of your Company Mr. Syed Azizur Rahman (DIN: 00242790) who is the longest serving member in the current term and is liable to retire, being eligible, seeks reappointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing Annual General Meeting.

Ms. Shefali Sharma, Company Secretary of the Company has resigned from the Company on April 30, 2018. Thereafter Ms. Kanishka Jain had been appointed as the Company Secretary of the Company with effect from May 01, 2018 to fill the casual vacancy caused, pursuant to the provisions of section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, and in accordance with the provisions of Articles of Association of your Company.

Mr. Syed Azizur Rahman (DIN: 00242790) was re-appointed as Whole Time Director for a period of two years with effect from May 09, 2019 subject to the approval of shareholders. Appropriate resolution seeking his re-appointment is being placed for your approval at the ensuing Annual General Meeting.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with relevant applicable rules your company was required to appoint an Internal Auditor. Further the Board of Directors at its meeting held on May 30, 2018 has appointed M/s Mohan Gupta & Co., Chartered Accountants as Internal Auditor of the Company.

EXTRACT OF THE ANNUAL RETURN

In accordance with the provisions of section 134(3)(a) of Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return referred in sub section (3) of section 92 in the

prescribed format **MGT-9** forms part of this Directors' Report as "**Annexure- B**" and the same is also available on the website of the Company (<http://www.shrigangindustries.com>).

CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute corporate social responsibility committee pursuant to the provisions of section 135 of the Companies Act, 2013.

DETAILS OF SUBSIDIARIES/ JOINT VENTURE AND ASSOCIATE COMPANY

The Company has no subsidiary/ Joint Venture and Associate Company during the year.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) That in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable Accounting standards have been followed and that there are no material departures;
- ii) That Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the loss of the Company for the year ended March 31, 2019;
- iii) That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That accounts for the year ended March 31, 2019 have been prepared following the going concern basis;
- v) That Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) That Directors had devised proper system to ensure compliance with the provisions of all the applicable laws and that such system were adequate and operating effectively.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial Position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, the Company in its 28th Annual General Meeting held on September 28, 2017, had appointed **M/s. Satendra Rawat & Co. Chartered Accountants, (Firms registration no. 008298C)** as Statutory Auditors of the company to hold office for Five consecutive years from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting of the

Company to be held in the year 2022, subject to ratification by members at every Annual General Meeting.

The requirement for the ratification of Auditor's appointment at the AGM has been done away with by the amended provisions of Section 139 of the Companies Act, 2013 which was notified on May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM the existing Auditor shall continue to act as Statutory Auditor of the Company.

AUDIT REPORT

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 or adverse remark. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

During the year under review, Statutory Auditor has not reported to the Audit Committee any instances of fraud under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

SECRETARIAL AUDITOR

In accordance with the provisions of Section 204 and Section 134(3) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board had appointed M/s Monika Kohli & Associates, Company Secretaries, as Secretarial Auditor of the Company to undertake the Secretarial Audit functions of the Company.

The Secretarial Audit Report in the prescribed form MR-3 for the financial year ended on March 31, 2019 forms part of the Annual Report. The same is annexed as **Annexure "A"**.

The Secretarial Auditor had pointed out certain remarks in its report, which are replied by the Board of Directors hereunder:

Secretarial Auditor's Remark- 1

The Trading in equity shares of the Company had been suspended by the BSE Limited vide suspension Notice no. 20120917-21 dated September 17, 2012 & letter no. DCS/COMP/AJ/SUS/523309/179/2012-13 dated September 17, 2012 respectively due to non-compliance of the various clauses of the Listing Agreement. Also during the year, Company has received communications through emails from Listing Department, BSE Limited mentioning observation / pending compliance(s) of Listing requirement & the Company has submitted its replies from time to time in response to the letters received from BSE Limited and completed all the pending compliances. However, approval for resumption of trading in Equity Shares has been received by the Company on October 16, 2018 subject to the Payment of Listing fees of Rs. 15,00,000/- and submission of documents as mentioned in the Approval letter which is valid for a period of one year from the date of letter. *The Company is yet to pay reinstatement fee and submit the requisite documents with BSE Limited.*

Board's Reply

The trading in the equity shares of the Company has been suspended due to non-payment of listing fees & certain non-compliance of listing agreement. The Company has since then paid the listing fees that was due and has completed the pending compliances and submitted all the documents with BSE for revocation of suspension of trading. The Company is in process of submitting the requisite reinstatement fee along with all the documents as required by the BSE Limited.

Secretarial Auditor's Remark- 2

It is observed that the promoter's 100% equity shares in the company are not in demat form which is in non-compliance of Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), 2015 (LODR).

Board's Reply

The Company has been allotted ISIN by CDSL and NSDL for dematerialization of the Company's Shares. The Company had made request to all the shareholders including promoters through notice of last Annual General Meeting asking to dematerialize their shares. Similar request to all shareholders including promoters is being made in the notice of ensuing Annual General Meeting which is being sent to all the shareholders and will also make necessary advertisement through public notice requesting members to dematerialize their shares. Out of the promoter's shareholding, shares to the extent of 66.19% has already been dematerialized. The Management has been following up with the promoters to get their shares dematerialized to make the Company compliant as per LODR.

Secretarial Auditor's Remark- 3

The company has not obtained the Fire NOC for its manufacturing unit located at Sikandrabad, U.P.

Board's Reply

The Company is in the process of obtaining the Fire NOC.

Secretarial Auditor's Remark- 4

The Company has no requisite permissions from the State Pollution Control Board for its manufacturing unit located at Sikandrabad, Bulandshar, Uttar Pradesh as on date.

Board's Reply

The Company is in the process of obtaining the requisite permission from the State Pollution Control Board.

Secretarial Auditor's Remark- 5

As per Regulation 15 (2) of SEBI (LODR) Regulations, 2015, the compliances with the corporate governance provisions as specified in Reg. 17 to 27 and Clause (b) to (i) of Regulation 46(2) and Para C, D, E of Schedule V for Corporate Governance do not apply to this Listed Entity as the Paid-up share capital of the Listed Entity is Rs. 79,300,000 (i.e. less than Rs. 10 Crore) and Net Worth is negative (i.e. less than Rs. 25 Crores) as on the last day of the previous financial year. During the audit, we observed that the company is voluntarily complying with the Corporate Governance provisions to the extent possible as a part of good corporate governance practice. However, the Company has not complied the following provisions during part of the year:

a. *As per Regulation 17(1)(b) of SEBI (Listing Obligations*

and Disclosure Requirements) Regulations, 2015, at least half of the board of the directors shall comprise of Independent Directors in case the listed entity does not have a regular non-executive chairperson. However, it is observed that w.e.f. 14.02.2019, the Listed Entity has five (5) directors out of which Listed Entity has only two (2) Independent Directors (i.e. less than half of the Board of Directors of the Listed Entity)

Board's Reply

Although this provision is not applicable on the Company, the Company as a part of good Corporate Practice is trying to meet these provisions to the extent possible. Towards this the Management is in the process of re-constituting the Board of the Company in order to have the optimum combination of Directors and its Committee(s) to comply with the provisions of the SEBI (LODR) Regulations, 2015,

DISCLOSURE ABOUT MAINTAINANCE OF COST RECORDS

The Directors state that the company is required to maintain the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

SHARE CAPITAL

The Paid up Share Capital of the Company stood at Rs. 793.00 Lakh as on March 31, 2019. There has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Company during the year. The Company has no other type of securities except Equity Shares forming part of the Paid-up Share Capital of the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019.

NUMBER OF BOARD MEETINGS

During the financial year 2018-19, seven (7) Board Meetings were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The details of all Board / Committee meetings held during the year are given in the Corporate Governance Report.

CORPORATE GOVERNANCE DISCLOSURE

It is our firm belief that the essence of the corporate world lies in promoting compliance of the law in letter and in spirit, with transparency and accountability, and above all, fulfilling the fair expectations of all the stakeholders. Our Corporate Governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders to gain and retain the trust of the stakeholders. Corporate Governance is about maximising the shareholders' value legally and ethically.

Your Company has evolved and followed the corporate

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

Your Company is devoted to benchmarking itself with global standards for providing Good Corporate Governance. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations.

As per SEBI Listing Regulations, a detailed report on Corporate Governance is annexed to this Annual Report as **Annexure "C"**.

A certificate from a Practising Company Secretary:

- a. confirming the compliance with the conditions of Corporate Governance, as stipulated in Regulation 34(3) read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and
- b. certifying that None of the Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

is attached to the Corporate Governance Report.

Your Company gives due emphasis on the adaptability to such procedures so as to ensure transparency, accountability & integrity in all respect.

CODE OF CONDUCT

In compliance with the Listing Regulations and the Companies Act, 2013, your Company has framed and adopted a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally. The Code is applicable to the members of the Board and to all the employees of the Company.

The Board Members have affirmed compliance with the Code of Conduct for the year ended March 31, 2019. The code of conduct is available on our website (<http://www.shrigangindustries.com/investor-relations.html>).

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment at work place and the Company has also Constituted the Internal Complaint Committee in compliance with the requirement of the Act.

The policy is available on our website (<http://www.shrigangindustries.com/investor-relations.html>).

shrigangindustries.com/policy.html).

During the year under review, the company has not received any complaint of sexual harassment.

DECLARATION BY INDEPENDENT DIRECTOR(S)

The Company has received necessary declaration form each Independent Director under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 146(6) of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MEETING OF INDEPENDENT DIRECTORS

In terms of the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the **SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**, a separate meeting of the Independent Directors was held on March 29, 2019.

The Independent Directors at the meeting reviewed the following: -

- Performance of non-independent Directors and Board as a whole.
- Performance of Chairperson of the Company.
- Assess the quality, quantity and time lineless of flow of information between the management of the listed entity and the board of directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

COMMITTEES

Pursuant to the requirements of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted the following Committees:

1. Audit Committee;
2. Nomination & Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Independent Directors Committee.

The details of composition and terms of reference of these committees are mentioned in the Corporate Governance Report annexed to this Directors' Report as "**Annexure C**".

NOMINATION & REMUNERATION POLICY

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The Company has framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The details of policy are mentioned in Corporate Governance Report. There is no change in the policy since last financial year. The policy is available on our company's website (<http://>

www.shrigangindustries.com/policy.html).

PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has neither made any investment(s) nor given any loan(s) or guarantee(s) or provided any security which is covered under the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENT MADE WITH RELATED PARTIES

During the year, the Company had not entered into any contract, arrangement and transaction with related parties which could be considered material in accordance with the Company's Policy on materiality of and dealing with related party transactions (the "Policy") and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

DEPOSITS

During the year, the company has neither accepted nor renewed any deposits from public. However, the Company has paid off the outstanding dues during the year under review. Accordingly, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet

MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms of the provisions of Regulation 34 read with Part B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management discussion and analysis report is set out in this Annual Report as "**Annexure D**".

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

Information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure "E"** forming part of this Annual Report.

RISK MANAGEMENT

A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take at strategic and operational levels and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

The company has in place risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation of the performance of the Board, performance of Independent Directors and that of its Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been made. The evaluation was carried out on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

As stated above, the Company is setting up a Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. HarDOI for which it has received the requisite permission/licence. The company has been allotted land by UPSIDC in Sandila Industrial Area for setting up the unit.

The setting up of the new unit would help in the revival of the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. However, the Company has received In-principle approval from BSE Limited for Revocation of Suspension in trading of equity shares of the Company vide its letter no. LIST/COMP/SK/878/2018-19 dated October 16, 2018 which is valid for One Year i.e. upto October 15, 2019 subject to submission of certain documents and fees in a time span of one year from the date of letter. The Company is in the process of submitting the requisite fee and the documents.

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company's operations in future.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has established the Vigil Mechanism/Whistle Blower Policy, a mechanism for all Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy act as a neutral and unbiased form to voice concerns in a reasonable and effective manner without fear of reprisal. The policy is disclosed on Company's website (Web Link: <http://www.shrigangindustries.com/policy.html>)

During the year under review no personnel has been denied access to the audit committee.

DEPOSITORY SYSTEMS

Your Company has established connectivity with both depositories – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, members holding Shares in physical mode are requested to avail of the dematerialization facility with either of the depositories.

Your Company has appointed M/s. BEETAL Financial & Services Private Limited, a Category-I SEBI registered R&T Agent as its Registrar and Share Transfer Agent across physical and electronic alternative.

LISTING OF SHARES

The Company's shares are listed on the below mentioned Stock Exchange: -

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

PARTICULARS OF MANAGERIAL REMUNERATION AND EMPLOYEES

1. Disclosure in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

| Sr. No. | Name of Director | Ratio to median remuneration | % increase in remuneration in the financial year |
|-----------|---------------------------------------|------------------------------|--|
| 1. | Executive Directors | | |
| a. | Mr. Syed Azizur Rahman | 4.22:1 | -- |
| b. | Mr. Sunil Goel ¹ | -- | -- |
| 2. | Non-Executive Directors | | |
| a. | Mr. Yogesh Kumar | -- | -- |
| b. | Mr. Narendra Singh Bisht ² | -- | -- |
| c. | Mr. Surendra Mohan Sikka ³ | -- | -- |
| c. | Mrs. Shuchi Bahl ⁴ | -- | -- |
| d. | Mrs. Anita Gupta ⁵ | -- | -- |
| 3. | Chief Financial Officer | | |
| | Mr. Anil Kumar Gupta | Nil | |
| 4. | Company Secretary | | |
| a. | Shefali Sharma ⁶ | -- | -- |
| b. | Kanishka Jain ⁷ | -- | -- |

¹ Appointed as Additional and Whole Time Director on the Board w.e.f. February 14, 2019.

² Relinquished the position of Independent Director w.e.f. July 13, 2018.

³ Appointed as Independent Director on the Board w.e.f. July

13, 2018.

⁴ Relinquished the position of Director w.e.f. March 06, 2019.

⁵ Appointed as Additional Director w.e.f. March 06, 2019.

⁶ Relinquished the position of Company Secretary w.e.f. April 30, 2019.

⁷ Appointed as Company Secretary w.e.f. May 01, 2018.

- ii. The percentage increase in remuneration in the median remuneration of employee in the financial year: **7.75%**
- iii. The number of permanent employees on the rolls of the Company at the end of the Financial Year: **5**.
- iv. 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: 36.05%
Percentage increase in the managerial remuneration for the year: **NIL**
- v. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms remuneration is as per the remuneration policy of the Company.

2. Disclosure in terms of Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: -

There was no employee who has drawn salary as mentioned in the aforesaid rule.

INDUSTRIAL RELATIONS

The Industrial Relations have continued to be stable and harmonious during the course of the year.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Your Company has duly adopted Code of Conduct to Regulate, Monitor and Report Trading by Insider. The said Code is available on the website of the Company at (<https://www.shrigangindustries.com/investor-relations.html>).

DISCLOSURE UNDER SECRETARIAL STANDARD

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.

ACKNOWLEDGEMENT

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, financial institutions, and government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your Directors gives their sincere gratitude to the customers, clients, vendors and other business associates for their continued support in the Company's growth.

Your Directors also place on record their deep sense of appreciation for the devoted services rendered by all the employees of the company and for the continued co-operation & support received from shareholders of the Company.

By Order of the Board

For Shri Gang Industries and Allied Products Limited

Sd/-
Syed Azizur Rahman
Whole Time Director
DIN: 00242790
Add: Flat B-104 (FF),
Ananda Apartments,
Plot No 35A, Block D,
Sector-48,
Gautam Budha Nagar,
Noida, Uttar Pradesh-201301

Sd/-
Anita Gupta
Director
DIN: 00243804
Add: W-15/40,
Western Avenue,
Sainik Farms,
Delhi- 110062

Date: 13.08.2019
Place: New Delhi

Annexure "A"

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[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,
M/s Shri Gang Industries And Allied Products Limited
CIN: L01112UP1989PLC011004
A-26, UPSIDC Industrial Area,
Sikandrabad, Bulandshahar,
Uttar Pradesh-203205

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:-:

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI, ODI and ECB was taken by the Company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

The Company had made reference to Board for Industrial and Financial Reconstruction (BIFR), under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 due to complete erosion of its net worth as on June 30, 2000. The company was thereafter declared Sick Industrial Company by BIFR vide its order dated May 28, 2001. Thereafter company had suspended its production activities and the workers were laid off w.e.f. March 25, 2010, due to continued losses and erosion of working capital. The Board of Industrial and Financial Reconstruction (BIFR) vide order dated July 25, 2016 read with further order dated October 20, 2016 had directed the Government of UP to extend relief & concession to the Company as per its policy for revival of sick units in the state and thereafter the Government of Uttar Pradesh, vide UP Government Order no. 1571/77-1-2016-10 (BIFR) 2009TC dated 29.12.2016 has granted / extended some relief & concessions to the Company towards the repayment of loan, taxes & other dues. The manufacturing operations were resumed by the Company in Financial Year 2016-17.

VI. OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

1. Foods Safety & Standards Act, 2006;

2. Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;
3. EIA Notification, 2006;

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

- I. Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date and the Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above subject to following observations:

1. The trading in equity shares of the Company had been suspended by the BSE Limited vide suspension Notice no. 20120917-21 dated September 17, 2012 & letter no. DCS/COMP/AJ/SUS/523309/179/2012-13 dated September 17, 2012 respectively due to non-compliance of the various clauses of the Listing Agreement. Also during the year, Company has received communications through emails from Listing Department, BSE Limited mentioning observation / pending compliance(s) of Listing requirement & the Company has submitted its replies from time to time in response to the letters received from BSE Limited and completed all the pending compliances. Further the approval from BSE Limited for resumption of trading in Equity Shares has been received by the Company vide letter dated October 16, 2018 subject to the Payment of Listing fees of Rs.15,00,000/- along with submission of documents as mentioned in the Approval letter which is valid for a period of one year from the date of letter. *The Company is yet to pay reinstatement fee and submit the requisite documents with BSE Limited.*
2. *It is observed that the promoter's 100% equity shares in the company are not in demat form which is in non-compliance of Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).*
3. *The company has not obtained the Fire NOC for its manufacturing unit located at Sikandrabad, U.P.*
4. *The Company has no requisite permissions from the State Pollution Control Board for its manufacturing unit located at Sikandrabad, Bulandshar, Uttar Pradesh as on date.*

As per Regulation 15 (2) of SEBI (LODR) Regulations, 2015, the compliances with the corporate governance provisions as specified in Reg. 17 to 27 and Clause (b) to (i) of Regulation 46(2) and Para C, D, E of Schedule V for Corporate Governance do not apply to this Listed Entity as the Paid-up share capital of the Listed Entity is Rs.7,93,00,000/- (i.e. less than Rs. 10 Crore) and Net Worth is negative (i.e. less than Rs. 25 Crores) as on the last day of the previous financial year. During the audit, we observed that the company is voluntarily complying with the Corporate Governance provisions to the extent possible

as a part of good corporate governance practice. *However, the Company has not complied the following provisions during part of the year:*

- a. As per Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least half of the board of the directors shall comprise of Independent Directors in case the listed entity does not have a regular non-executive chairperson. *We observed that w.e.f. 14.02.2019, the company has five (5) directors out of which two (2) are Independent Directors resulting into less than half of the board comprising of independent directors.*

Based on the information received and records maintained, we further report that:

- 1) The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive, women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as mentioned above.
- 2) Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting in compliance of the Act.
- 3) Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by Mr. Syed Azizur Rahman, Whole Time Director, Mr. Anil Kumar Gupta, CFO and Ms. Kanishka Jain, Company Secretary of the Company and taken on record by the Board of Directors at their meeting (s), we further report that;

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

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

**FOR MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES**

Sd/-
(MONIKA KOHLI)
FCS, LL.B.

Prop.

CP No. 5480

FCS No. 4936

Date: 13.08.2019

Place: New Delhi

To,
THE MEMBERS,
M/S SHRI GANG INDUSTRIES AND ALLIED PRODUCTS LIMITED
CIN: L01112UP1989PLC011004
A-26, UPSIDC Industrial Area,
Sikandrabad, Bulandshahar,
Uttar Pradesh-203205

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2019 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 records. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures 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.
7. As per the information provided by the company, there are certain cases filed by or against the company, which are currently lying pending with the various Courts. However as informed these cases have no major impact on the company.

**FOR MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
(MONIKA KOHLI)
FCS, LL.B.
Prop.
CP No. 5480
FCS No. 4936**

**Date: 13.08.2019
Place: New Delhi**

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

| | |
|--|---|
| CIN | L01112UP1989PLC011004 |
| Registration Date | 02/08/1989 |
| Name of the Company | Shri Gang Industries and Allied Products Limited |
| Category/Sub-category of the Company | Company Limited By Shares. Indian Non-Government Company. |
| Address of the Registered office Contact details | A-26 UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205 secretarial@shrigangindustries.com |
| Whether listed company | Listed |
| Name, Address & contact details of the Registrar & Transfer Agent, if any. | BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD. Beetal House, 3 rd Floor, 99, Madangir, B/H Local Shopping Centre, New Delhi-110062. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Company Product/service | % to total turnover of the company |
|--------|--|---|------------------------------------|
| 1. | Sale of Products- Edible oils | 46305 | 99.41% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: - N.A.

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

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year [As on -01-April-2018] | | | | No. of Shares held at the end of the year [As on 31-March-2019] | | | | % Change during the year |
|-----------------------------|--|---------------|----------------|-------------------|---|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter's | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 1709645 | 778360 | 2488005 | 31.37 | 1709645 | 778360 | 2488005 | 31.37 | NIL |
| b) Central Govt. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) State Govt.(s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) Bodies Corp. | NIL | 95000 | 95000 | 1.20 | NIL | 95000 | 95000 | 1.20 | NIL |
| e) Banks / FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Any other | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub- total (A) (1):- | 1709645 | 873360 | 2583005 | 32.57 | 1709645 | 873360 | 2583005 | 32.57 | NIL |
| (2) Foreign | | | | | | | | | |
| a) NRIs –Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Other- Individuals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) Bodies Corp. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) Any other..... | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub- total (A) (2):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on -01-April-2018] | | | | No. of Shares held at the end of the year [As on 31-March-2019] | | | | % Change during the year |
|--|--|----------------|----------------|-------------------|---|----------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| Total Shareholding of Promoter A =(A)(1)+(A)(2) | 1709645 | 873360 | 2583005 | 32.57 | 1709645 | 873360 | 2583005 | 32.57 | NIL |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | NIL | 116500 | 116500 | 1.47 | NIL | 50000 | 50000 | 0.63 | (0.84) |
| b) Banks / FI | NIL | 53100 | 53100 | 0.67 | 66500 | 53100 | 119600 | 1.51 | 0.84 |
| c) Central Govt. | NIL | 9900 | 9900 | 0.12 | NIL | 9900 | 9900 | 0.12 | NIL |
| d) State Govt.(s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e) Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Insurance Companies | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| g) FIs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| h) Foreign Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| i) Others (specify) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total (B)(1):- | NIL | 179500 | 179500 | 2.26 | 66500 | 110000 | 179500 | 2.26 | NIL |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | NIL | 2255600 | 2255600 | 28.44 | 1600 | 2274000 | 2275600 | 28.71 | (0.27) |
| ii) Overseas | NIL | 5000 | 5000 | 0.06 | NIL | 5000 | 5000 | 0.06 | NIL |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 6800 | 2466410 | 2473210 | 31.19 | 21600 | 2446610 | 2468210 | 31.12 | (0.07) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | NIL | 432385 | 432385 | 5.46 | NIL | 417385 | 417385 | 5.26 | (0.20) |
| c)Others NRI | NIL | 1300 | 1300 | 0.02 | NIL | 1300 | 1300 | 0.02 | NIL |
| Sub-total (B)(2):- | 6800 | 5160695 | 5167495 | 65.17 | 23200 | 5147295 | 5167495 | 65.17 | NIL |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 6800 | 5340195 | 5346995 | 67.43 | 89700 | 5257295 | 5346995 | 67.43 | NIL |
| C. Shares held by Custodian for GDRs & ADRs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Grand Total (A+B+C) | 1716445 | 6213555 | 7930000 | 100.00 | 1799345 | 7930000 | 7930000 | 100.00 | NIL |

ii) Shareholding of Promoters-

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of shares | % of total shares of the company | % of Shares Pledged / encumbered to total shares | No. of shares | % of total shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Suraj Prakash Gupta | 723065 | 9.12 | NIL | 723065 | 9.12 | NIL | NIL |
| 2 | Anita Gupta | 586780 | 7.40 | NIL | 586780 | 7.40 | NIL | NIL |
| 3 | Ritesh Gupta | 269800 | 3.40 | NIL | 269800 | 3.40 | NIL | NIL |
| 4 | Vikas Gupta | 130000 | 1.64 | NIL | 130000 | 1.64 | NIL | NIL |
| 5 | Anju Arora | 125000 | 1.58 | NIL | 125000 | 1.58 | NIL | NIL |
| 6 | Gurucharan Dass Arora | 110000 | 1.39 | NIL | 110000 | 1.39 | NIL | NIL |
| 7 | Ashok Gupta | 98825 | 1.25 | NIL | 98825 | 1.25 | NIL | NIL |
| 8 | Nishi Arora | 96400 | 1.22 | NIL | 96400 | 1.22 | NIL | NIL |
| 9 | Shailesh Gupta | 95325 | 1.20 | NIL | 95325 | 1.20 | NIL | NIL |
| 10 | Ajay Gupta | 94500 | 1.19 | NIL | 94500 | 1.19 | NIL | NIL |
| 11 | Sidhartha Gupta | 92000 | 1.16 | NIL | 92000 | 1.16 | NIL | NIL |
| 12 | Parveen Kumari | 66300 | 0.84 | NIL | 66300 | 0.84 | NIL | NIL |
| 13 | Universal Share Trading Co Ltd | 95000 | 1.20 | NIL | 95000 | 1.20 | NIL | NIL |
| 14 | Vinod Gupta | 10 | 0 | NIL | 10 | 0 | NIL | NIL |
| 15 | Ramesh Gupta | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 16 | Janeshwar Kumar Jain | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 17 | Rakesh Dutta | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 18 | Almondz Global Securities Limited (Formerly Allianz Securities Limited) | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

iii) Change in Promoters' Shareholding: -

| S. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.) | - | - | - | - |
| | At the end of the year | - | - | - | - |

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

| S. No. | Name of the each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Survi Trade & Agency Private Limited | | | | |
| | At the beginning of the year | 1190000 | 15.01 | 1190000 | 15.01 |
| | Date wise Increase / Decrease in Shareholding during the year : | - | - | - | - |
| | At the end of the year | 1190000 | 15.01 | 1190000 | 15.01 |
| 2. | VRV Foods Limited | | | | |
| | At the beginning of the year | 390000 | 4.92 | 390000 | 4.92 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 390000 | 4.92 | 390000 | 4.92 |
| 3. | Magnum Sugars and Allied Products Private Limited | | | | |
| | At the beginning of the year | 315000 | 3.97 | 315000 | 3.97 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 315000 | 3.97 | 315000 | 3.97 |
| 4. | Rachna Agrawal | | | | |
| | At the beginning of the year | 302285 | 3.81 | 302285 | 3.81 |
| | Date wise Increase / Decrease in Shareholding during the year: | | | | |
| | At the end of the year | 302285 | 3.81 | 302285 | 3.81 |
| 5. | CBK Financiers Pvt Limited | | | | |
| | At the beginning of the year | 176000 | 2.22 | 176000 | 2.22 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 176000 | 2.22 | 176000 | 2.22 |
| 6. | CRB Corporation Limited | | | | |
| | At the beginning of the year | 100000 | 1.26 | 100000 | 1.26 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 100000 | 1.26 | 100000 | 1.26 |
| 7. | Administrator of the Specified Undertaking of UTI AMC Pvt. Ltd. | | | | |
| | At the beginning of the year | 66500 | 0.84 | 66500 | 0.84 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 66500 | 0.84 | 66500 | 0.84 |
| 8. | Sandeep Agrawal | | | | |
| | At the beginning of the year | 56000 | 0.71 | 56000 | 0.71 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 56000 | 0.71 | 56000 | 0.71 |

| S. No. | Name of the each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 9. | ICICI Trusteeship Services Limited ICICI Equity Fund | | | | |
| | At the beginning of the year | 50000 | 0.63 | 50000 | 0.63 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 50000 | 0.63 | 50000 | 0.63 |
| 10. | IFCI | | | | |
| | At the beginning of the year | 50000 | 0.63 | 50000 | 0.63 |
| | Date wise Increase / Decrease in Shareholding during the year: | - | - | - | - |
| | At the end of the year | 50000 | 0.63 | 50000 | 0.63 |

E) Shareholding of Directors and Key Managerial Personnel:

| S. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|--------|---|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Syed Azizur Rahman | | | | |
| | At the beginning of the year | 100 | 0.001 | 100 | 0.001 |
| | Date wise Increase / Decrease in Shareholding during the year: | -- | -- | -- | -- |
| | At the end of the year | 100 | 0.001 | 100 | 0.001 |
| 2. | Narendra Singh Bisht* | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 3. | Shuchi Bahl** | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 4. | Yogesh Kumar | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |

| S. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|--------|---|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5. | Surendra Mohan Sikka*** | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 6. | Sunil Goel**** | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 7. | Anita Gupta***** | | | | |
| | At the beginning of the year | 586780 | 7.40 | 586780 | 7.40 |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | 586780 | 7.40 | 586780 | 7.40 |
| 8. | Anil Kumar Gupta- Chief Financial Officer (CFO) | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 9. | Shefali Sharma- Company Secretary (CS)# | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |
| 10. | Kanishka Jain- Company Secretary (CS)## | | | | |
| | At the beginning of the year | -- | -- | -- | -- |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -- | -- | -- | -- |
| | At the end of the year | -- | -- | -- | -- |

*Mr. Narendra Singh Bisht resigned from the post of Director w.e.f. July 13, 2018. Therefore, his shareholding is shown till that date only.

**Ms. Shuchi Bahl resigned from the post of Director w.e.f. March 06, 2019. Therefore, her shareholding is shown till that date only.

*** Mr. Surendra Mohan Sikka has been appointed as Director on the Board w.e.f. July 13, 2018 and hence shareholding details have been disclosed w.e.f. July 13, 2018.

**** Mr. Sunil Goel has been appointed as Additional Whole Time Director on the Board w.e.f. February 14, 2019 hence shareholding details have been disclosed w.e.f. February 14, 2019.

***** Mrs. Anita Gupta has been appointed as Additional Non-Executive Non-Independent Director on the Board w.e.f. March 06, 2019 hence shareholding details have been disclosed w.e.f. March 06, 2019.

Ms. Shefali Sharma resigned as Company Secretary w.e.f. April 30, 2018. Therefore, her shareholding is shown till that date only.

Ms. Kanishka Jain has been appointed as Company Secretary w.e.f. May 01, 2018 and hence shareholding details have been disclosed w.e.f. May 01, 2018.

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

(Rs. in Lacs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 446.0 | 3,091.80 | 30.00 | 3,567.80 |
| ii) Interest due but not paid | - | - | 23.25 | 23.25 |
| iii) Interest accrued but not due | - | 160.19 | - | 160.19 |
| Total (i+ii+iii) | 446.00 | 3,251.99 | 53.25 | 3,751.24 |
| Change in Indebtedness during the financial year | - | - | - | - |
| * Addition | - | 2,776.8 | -- | 2,776.80 |
| * Reduction | 44.60 | 125.55 | 53.25 | 223.40 |
| Net Change | (44.60) | 2,651.25 | (53.25) | 2,553.40 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 401.40 | 5422.21 | -- | 5,823.61 |
| ii) Interest due but not paid | -- | -- | -- | -- |
| iii) Interest accrued but not due | -- | 481.03 | -- | 481.03 |
| Total (i+ii+iii) | 401.40 | 5,903.24 | -- | 6,304.64 |

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. **REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

| S. No | Particulars of remuneration | Name of MD/ WTD/Manager Mr, Syed Azizur Rahman Whole Time Director |
|-------|---|--|
| 1. | Gross Salary | |
| | (a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961 | 18,00,000 |
| | (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 | 18,00,000 |

B. REMUNERATION TO OTHER DIRECTORS: NIL**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGER/MD/WHOLE TIME DIRECTOR:**

(In Rs.)

| S. No | Particulars of remuneration | Key Managerial Personnel | | | |
|-----------|---|------------------------------|------------------------------|--------------------------------|-----------------|
| | | CS Ms. Shefali Sharma* | CS Ms. Kanishka Jain** | CFO Mr. Anil Kumar Gupta | Total |
| 1. | Gross Salary | | | | |
| | (a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961 | 21,500 | 2,57,400 | 2,34,000 | 5,12,900 |
| | (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 | 21,500 | 2,57,400 | 2,34,000 | 5,12,900 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

According to the records of the company and information and explanation, there are no dues of sales tax, income tax, custom duty, service tax, wealth tax, excise duty and cess on account of any disputes for the year ending March 31, 2019.

By Order of the Board
For Shri Gang Industries and Allied Products Limited

Sd/-
Syed Azizur Rahman
Whole Time Director
DIN: 00242790
Add: Flat B-104 (FF), Ananda Apartments,
Plot No 35A, Block D, Sector-48,
Gautam Budha Nagar, Noida,
Uttar Pradesh- 201301

Sd/-
Anita Gupta
Director
DIN: 00243804
Add: W-15/40, Western Avenue,
Sainik Farms, Delhi- 110062

Date: 13.08.2019
Place: New Delhi

REPORT ON CORPORATE GOVERNANCE

“Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society.”

As per Listing Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company is not required to comply with the Requirements of Para C, D and E of Schedule V. However, your Company is voluntarily complying with the requirements of Para C, D and E of Schedule V to the extent possible as a part of its good corporate governance practice.

A good Corporate Governance is a system by which Companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the Management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Companies. Your company has been practicing the principles of Good Corporate Governance for the last many years.

Corporate governance is of paramount importance to a company and is almost as important as its primary business plan. When executed effectively, it can prevent corporate scandals, fraud and the civil and criminal liability of the company. It also enhances a company's image in the public eye as a self-policing company that is responsible and worthy of shareholder and debt-holder capital. It dictates the shared philosophy, practices and culture of an organization and its employees. A corporation without a system of corporate governance is often regarded as a body without a soul or conscience. Corporate governance keeps a company honest and out of trouble. If this shared philosophy breaks down, then corners will be cut, products will be defective and management will grow complacent and corrupt. The end result is a fall that will occur when gravity - in the form of audited financial reports, criminal investigations and federal probes - finally catches up, bankrupting the company overnight. Dishonest and unethical dealings can cause shareholders to flee out of fear, distrust and disgust.

The Company has a mission to provide sustainable advanced solution and service to our customers, long term partnership with its investors, maximizing value to our stakeholders, clients, suppliers and its employees.

This has been articulated through the Company's Code of Business Conduct and Ethics, Corporate Governance guidelines, charters of various sub-committees of the Company's Disclosure policies. These policies seek to focus on enhancement of long term stakeholder's value without comprising on Ethical Standards and Corporate Social Responsibilities.

It is essential that good governance practices must be effectively implemented and enforced preferably by self-regulation and voluntary adoption of ethical code of business conduct.

The effective implementation of good governance practices would ensure investors' confidence in the corporate companies which will lead to greater investment in them ensuring their sustained growth. Thus good corporate governance would greatly benefit the companies enabling them to thrive and prosper.

1. COMPANY'S PHILOSOPHY

Company Philosophy on Corporate Governance is founded upon a rich legacy of fair ethical and transparent Governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company believes in adopting best practices in the area of corporate governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. The Company will continue to focus its resources, strengths and strategies to achieve growth in business.

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

The Board considers itself as the Trustee of its Shareholders. During the period 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.

2. BOARD OF DIRECTORS

A. Size and Composition of Board of Directors:

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. As on 31st March, 2019, our Board had Five (5) Directors consisting of three (3) Directors as Non-Executive (including two (2) independent directors) and two (2) Directors as Executive.

All Independent Directors are drawn from amongst eminent professionals with an expertise in Business/ Finance/Law/ Public Enterprises/Marketing and other allied fields. All Independent Directors adhere to the criteria defined under Regulations of SEBI Listing Regulations read with the provisions of Section 152, 149 and other applicable provisions of the Companies Act, 2013 and are independent of the management.

The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The board reviews include strategic review from each of the Committees, a detailed analysis and review of annual strategic and operating plans, capital allocation and budgets.

Details of the Board of Directors and the Directorships/ Membership in the Board/ Board Committees, respectively of other companies are following:

| Sl. No | Name of Directors | Category of Director | Number of shares held by directors | Relationship With Other Directors | No. of Directorship in other Companies* | No. of Committee positions held in other Companies** | | Directorship in listed entity (category of Directorship) |
|--------|-----------------------------------|---|------------------------------------|-----------------------------------|---|--|--------|--|
| | | | | | | Chairman | Member | |
| 1. | Syed Azizur Rahman | Executive Director | 100 | None | Two | -- | Two | One |
| 2. | Yogesh Kumar | Non-Executive Independent Director | -- | None | One | -- | -- | -- |
| 3. | Narendra Singh Bisht ¹ | Non-Executive Independent Director | -- | None | Nine | -- | -- | One |
| 4. | Shuchi Bahl ² | Non-Executive Non- Independent Director | -- | None | Two | -- | -- | One |
| 5. | Surendra Mohan Sikka ³ | Non-Executive Independent Director | -- | None | Three | -- | Two | One |
| 6. | Sunil Goel ⁴ | Executive Director | -- | None | Two | -- | -- | -- |
| 7. | Anita Gupta ⁵ | Non-Executive Non- Independent Director | 586,780 | None | Seven | -- | -- | -- |

¹ Relinquished the office of Independent Director w.e.f. July 13, 2018.

² Relinquished the office of Director w.e.f. March 06, 2019.

³ Appointed as an Independent Director w.e.f. July 13, 2018.

⁴ Appointed as Whole Time Director w.e.f. February 14, 2019.

⁵ Appointed as Additional Director w.e.f. March 06, 2019.

* This includes Directorships in all Companies (Listed, Unlisted Public and Private Limited Companies incorporated in India) excluding Shri Gang Industries and Allied Products Limited, foreign and Section 8 companies.

** For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, are considered. Further Committees considered for the purpose are those prescribed under explanation to Regulation 26(1)(b) of the SEBI Listing Regulations viz. Audit Committee and Stakeholders Relationship Committee of Indian public limited companies excluding Shri Gang Industries and Allied Products Limited foreign and Section 8 companies.

None of the Directors on the Board holds directorships in more than the limit prescribed under the Companies Act/ SEBI (LODR) Regulations, 2015. None of the Independent Directors serves as an independent director on more than seven listed entities.

None of the Directors of the Board serve as Members of neither more than 10 committees nor do they are Chairman

of more than 5 committees as per the requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During FY 2019, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

B. Roles and responsibilities of the Board

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

Key functions of the Board

- The Board reviews and guides Corporate Strategy, Major Plans of Action, Risk Policy, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance.
- Board monitors the effectiveness of the Company's governance practices and making changes as needed.
- Selects, Compensates, Monitors and, when necessary, replaces key executives and overseeing succession planning.
- Ensures the integrity of the Company's accounting and Financial Reporting Systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.
- Oversees the process of disclosure and communications.
- Monitors and reviews Board Evaluation Framework.
- Align key managerial personnel and remuneration of Board of Directors with the long term interests of the company and its shareholders.

C. Meetings of Board of Directors' and their attendance record

The Board met seven (7) times during the financial year 2018-19. The periodicity between two Board Meetings was within the maximum time gap as prescribed in the Listing Regulations / Companies Act, 2013. Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) held is provided herein under:

| Sr. No. | Name of Director | DIN | 30.04.2018 | 30.05.2018 | 13.07.2018 | 14.08.2018 | 14.11.2018 | 14.02.2019 | 06.03.2019 | Attendance at the AGM held on 28.09.2018 |
|---------|------------------------|----------|------------|------------|------------|------------|------------|------------|------------|--|
| 1. | Syed Azizur Rahman | 00242790 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. | Yogesh Kumar | 07216171 | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x |
| 3. | Narendra Singh Bisht* | 01881694 | ✓ | ✓ | ✓ | NA | NA | NA | NA | NA |
| 4. | Shuchi Bahl | 02332887 | ✓ | ✓ | ✓ | x | x | x | ✓ | x |
| 5. | Surendra Mohan Sikka** | 07018508 | NA | NA | NA | ✓ | ✓ | ✓ | x | ✓ |
| 6. | Sunil Goel^ | 01229459 | NA | NA | NA | NA | NA | NA | ✓ | NA |
| 7. | Anita Gupta^^ | 00243804 | NA | NA | NA | NA | NA | NA | ^^ | NA |

✓ Attended the Meeting in person x Leave of Absence NA Person was not holding Directorship as on that date

*Mr. Narendra Singh Bisht resigned on July 13, 2018. During this period i.e. April 01, 2018 to July 13, 2018, Three (3) meetings of Board of Directors were held.

**Mr. Surendra Mohan Sikka was appointed w.e.f. July 13, 2018. After his appointment as Director, four (4) meetings of Board of Directors were held.

^ Mr. Sunil Goel was appointed w.e.f. February 14, 2019. After his appointment as Director, only One (1) meeting of Board of Directors was held.

^^ Mrs. Anita Gupta was appointed w.e.f. March 06, 2019. After her appointment as Director no meeting of Board of Directors was held.

D. Skills/expertise/competencies of Directors

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

| Sr. No. | Name of Director | Designation | Area of Expertise |
|---------|--------------------------|----------------------|---|
| 1. | Mr. Syed Azizur Rahman | Whole Time Director | He is a qualified Mechanical Engineer. He has 29 years of experience in manufacturing and commercial functions inclusive of 19 years as Unit Head/Business head. |
| 2. | Mr. Sunil Goel | Whole Time Director | He has an experience of more than 30 years in the field of trading and manufacturing of various diverse products. |
| 3. | Mr. Yogesh Kumar | Independent Director | Mr. Yogesh Kumar is a person of integrity, possesses relevant expertise and experience. |
| 4. | Mr. Surendra Mohan Sikka | Independent Director | He has more than 46 years of experience in the Alcoholic Beverages industry and has worked with pioneers in the industry. He has successfully commissioned and managed large industrial projects. |
| 5. | Mrs. Anita Gupta | Director | She has more than 20 years of experience in the field of administration. |

E. Detailed Reasons for resignation of an Independent Director

Due to pre-occupation in other matters, Mr. Narendra Singh Bisht was unable to devote his time in the affairs of the Company and accordingly submitted his resignation from the post of Non-Executive Independent Director w.e.f. 13th July 2018. Further he confirmed that this was the only reason for his resignation from the Board of the Company.

F. Non-Executive Directors' compensation and disclosures:

No remuneration or sitting fees was paid to the Non-Executive Directors'. No stock options were granted to Non-Executive Directors or Independent Directors during the year under review.

During the year, Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company which has potential conflict with the interest of the Company at large, other than holding shares of the Company.

G. Independent Directors:

In accordance with the provisions of SEBI Listing Regulations read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment to all the Independent Directors.

The terms and conditions of Appointment of Independent Directors has been disseminated on the Company's website at the web link (<https://www.shrigangindustries.com/investor-relations.html>).

Further the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the directors being evaluated.

During FY 2019, one separate meeting of the Independent Directors was held on March 29, 2019 where in the following items as enumerated under Schedule IV of the Companies Act, 2013, read with Regulation 25 of the SEBI Listing Regulations were discussed:

- Review of Performance of Non-Independent Directors and Board as a whole.

- Review of Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of 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.

Familiarization Programs for Independent Directors:

In compliance with the provisions of Regulation 25(7) of the SEBI Listing Regulations, Independent Directors are familiarized about the company, through various programmes from time to time, including the following:

- (a) Nature of the industry in which the company operates;
- (b) Business model of the company;
- (c) Roles, rights, responsibilities of independent Directors; and
- (d) Any other relevant information.

The policy on the familiarization programmes for Independent Directors has been uploaded on the Company's website at given below link: **(Web link: <https://www.shrigangindustries.com/investor-relations.html>)**.

3. Committees of the Board

The Board of Directors has constituted the following Committees of Directors with adequate delegation of powers to discharge the Company's requisite business:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship (Shareholders'/ Investors' Grievance) Committee

The minutes of the meetings of all such committees are placed before the Board for discussion/noting. Details of the composition, number of meetings held during the year, attendance of members and scope of the committees are as below:

A. Audit Committee

The Committee comprises of three members, majority of whom are Independent Directors. Company Secretary of the Company acts as the Secretary to the Committee.

The Committee's existing composition meets with requirements of Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as on March 31, 2019. Members of the Audit Committee possess financial / accounting expertise / exposure.

During the year, four (4) Audit Committee meetings were held. The composition of Audit Committee and the attendance of its members during the financial year 2018-19 is as follows:

| Sr. No. | Name of Members | Designation | 30.05.2018 | 14.08.2018 | 14.11.2018 | 14.02.2019 |
|---------|------------------------|-------------|------------|------------|------------|------------|
| 1. | Narendra Singh Bisht' | Chairperson | ✓ | NA | NA | NA |
| 2. | Yogesh Kumar | Member | ✓ | ✓ | ✓ | ✓ |
| 3. | Syed Azizur Rahman | Member | ✓ | ✓ | ✓ | ✓ |
| 4. | Surendra Mohan Sikka** | Member | NA | ✓ | ✓ | ✓ |

- ✓ Attended the Meeting in person
- NA** Person was not holding membership of the Committee as on that date

*Mr. Narendra Singh Bisht resigned w.e.f. July 13, 2018. Therefore, he ceased to be the member of the Committee. During this period, i.e, from April 01, 2018 to July 13, 2018, only one (1) meeting of Audit Committee was held.

*Mr. Surendra Mohan Sikka was appointed as a Member of Audit Committee w.e.f. July 13, 2018. After his appointment as member of this committee, three (3) meetings of Audit Committee were held.

NOTE: After the resignation of Mr. Narendra Singh Bisht (Member and Chairman), the Company has not appointed any regular Chairman for the Committee.

Scope and Objective of the Audit Committee

The Audit Committee, inter alia, supports the Board to ensure an effective internal control environment. The Committee discharges such duties and functions with powers generally indicated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors, and notes the process and safeguards employed by each of them.

The Audit Committee has powers to:

- investigate any activity within its terms of reference
- seek information from any employee
- Obtain outside legal or other professional advice, and
- secure attendance of outsiders with relevant expertise wherever it considers necessary

Terms of Reference:

The roles, powers and functions of the Audit Committee of Shri Gang are in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 and Part-C of Schedule II of the SEBI Listing Regulations.

The terms of reference to the Audit Committee inter-alia includes the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the directors' responsibility statement to 65 be included in the boards' report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the listed entity with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To review the functioning of the whistle blower mechanism;
17. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. NOMINATION & REMUNERATION COMMITTEE

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprises of three members, all of them are Non-Executive Directors and majority of whom are Independent Directors.

During the year, four (4) Nomination and Remuneration Committee meetings were held. The composition of Nomination and Remuneration Committee and the attendance of its members during the financial year 2018-19 is as follows:

| Sr. No. | Name of Members | Designation | 30.04.2018 | 13.07.2018 | 14.02.2019 | 06.03.2019 |
|---------|---------------------------|-------------|------------|------------|------------|------------|
| 1. | Narendra Singh Bisht* | Chairperson | ✓ | ✓ | NA | NA |
| 2. | Yogesh Kumar | Member | × | ✓ | ✓ | ✓ |
| 3. | Surendra Mohan Sikka** | Member | NA | NA | ✓ | × |
| 4. | Shuchi Bahl [^] | Member | ✓ | ✓ | × | ✓ |
| 5. | Anita Gupta ^{^^} | Member | NA | NA | NA | NA |

✓ Attended the Meeting in person × Leave of Absence **NA** Person was not holding Directorship as on that date

*Mr. Narendra Singh Bisht resigned w.e.f. July 13, 2018. Therefore, he ceased to be the member of the Committee. During this period, i.e, from April 01, 2018 to July 13, 2018, only one meeting of Audit Committee was held.

**Mr. Surendra Mohan Sikka was appointed as a Member of Audit Committee w.e.f. July 13, 2018. After his appointment as member of this committee, three (3) meetings of Audit Committee were held.

[^]Mrs. Shuchi Bahl resigned w.e.f. March 06, 2019. Thus she ceased to be the member of the Committee. During this period, i.e, from April 01, 2018 to March 06, 2019 four (4) meetings of Nomination and Remuneration Committee were held.

^{^^} After the resignation of Mrs. Shuchi Bahl from the Committee, Mrs. Anita Gupta was appointed as a member by the Board of Directors w.e.f. March 06, 2019 to comply with the requirements of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of Companies Act, 2013. After her appointment as the member of the Committee, no meeting of NRC held.

NOTE: After the resignation of Mr. Narendra Singh Bisht (Member and Chairman), the Company has not appointed any regular Chairman for the Committee.

Terms of Reference:

The roles, powers and functions of the Nomination and Remuneration Committee of Shri Gang are in accordance with the provisions of Section 178 of the Companies Act, 2013, read with Regulation 19 and Part-D of Schedule II of the SEBI Listing Regulations.

The broad terms of reference of the nomination and remuneration committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, key managerial personnel, and other employees;
2. Formulation of criteria for the evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying individuals who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

5. Deciding whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. The criteria for the evaluation of Independent Directors include skills, experience and level of preparedness of the directors, attendance and extent of contribution to Board debates and discussion, and how the director leverages his / her expertise and networks to meaningfully contribute to the Company.
6. recommending to the Board the re-appointment and removal of any individuals holding the office of a Director, Key Managerial Personnel or Senior Management, subject to the provision of the law and their service contract;
7. determining whether the relevant Director has the requisite qualifications for practice of a profession in terms of section 197 of the Companies Act in relation to payment of remuneration for services rendered by such Director;
8. undertaking such other functions as may be determined by the Board or required under the provisions of the Companies Act or the Listing Regulations; and
9. undertaking such other actions as may be necessary or appropriate for performance of the aforementioned functions.

The Remuneration Policy of the company is available on the Company's website (<https://www.shrigangindustries.com/policy.html>)

Performance Evaluation criteria for Independent Directors:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Board adopted Performance Evaluation Policy to evaluate performance of each Director, the Board as a whole, its Committees and the Chairperson. Annual Evaluation of the performance of the Board including Independent Directors, its committees & of Individual directors has been made.

The performance evaluation criteria is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Performance of the Board was evaluated by each Director on the parameters such as its roles and responsibilities, business risks, and contribution to the development of strategy and effective risk management, understanding of operational programs, availability of quality information in a timely manner etc. Independent directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective committee members on the parameters such as role and responsibilities, effectiveness of the Committee vis-à-vis assigned role, appropriateness of committee composition, timely receipt of information by the Committee, knowledge updation by the committee members etc.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters of demonstration of effective leadership, contribution to the Boards' work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings etc.

Directors were also evaluated individually by all other Directors (except the Director himself/herself) on the parameters of his / her preparedness at the Board meetings, devotion of time and efforts to understand the Company and its business, quality in contributions at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board Members, Senior Management and Key Managerial Personnel. Nomination, Remuneration and Compensation Committee and the Board carry out evaluation of the individual Directors.

The performance evaluation criterion of Independent Directors has been uploaded on the Company's website at given below link: (**Web link: <http://www.shrigangindustries.com/investor-relations.html>**).

Remuneration of Directors

| Name of Director | Salary | Benefits | Bonus | Stock Option | Pension |
|---------------------------------------|---------------|-----------------|--------------|---------------------|----------------|
| Executive Directors | | | | | |
| Mr. Syed Azizur Rhaman | 18,00,000 | -- | -- | -- | -- |
| Mr. Sunil Goel ¹ | -- | -- | -- | -- | -- |
| Non- Executive Directors | | | | | |
| Mr. Narendra Singh Bisht ² | -- | -- | -- | -- | -- |
| Mr. Surendra Mohan Sikka ³ | -- | -- | -- | -- | -- |
| Mr. Yogesh Kumar | -- | -- | -- | -- | -- |

| | | | | | |
|-------------------------------|----|----|----|----|----|
| Mrs. Shuchi Bahl ⁴ | -- | -- | -- | -- | -- |
| Mrs. Anita Gupta ⁵ | -- | -- | -- | -- | -- |

¹ Appointed as Whole Time Director w.e.f. February 14, 2019.

² Relinquished the office of Independent Director w.e.f. July 13, 2018.

³ Appointed as an Independent Director w.e.f. July 13, 2018.

⁴ Relinquished the office of Director w.e.f. March 06, 2019.

⁵ Appointed as Additional Director w.e.f. March 06, 2019.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013. The Committee comprises of three members, two of them being Non-Independent Directors and one is Non-Executive Non-Independent Director.

The terms of reference and the ambit of powers of Stakeholders' Relationship Committee are as per Regulation 20 and Part-D of Schedule II of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013, and allied rules as may be notified from time to time.

The broad terms of reference of the stakeholders' relationship committee are as under:

1. Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
2. Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
3. Recommending measures for overall improvement in the quality of services being provided to the Shareholders / Investors.

Details of shares transfer/transmissions approved by the committee are placed at the Board Meetings from time to time.

During the financial year 2018-19, eleven (11) meetings of Stakeholders' Relationship Committee were held on: **April 26, 2018; July 25, 2018; August 17, 2018; September 21, 2018; November 24, 2018, November 30, 2018; December 14, 2018; January 05, 2019; January 22, 2019; March 11, 2019 and March 28, 2019.**

The Composition and attendance of members of the Stakeholders' Relationship Committee during the financial year 2018-19 is as follows:

| Name of the Members | Designation | No. of meetings held | No. of meetings attended |
|----------------------------|--------------------|-----------------------------|---------------------------------|
| Mr. Narendra Singh Bisht* | Chairman | 1 | 1 |
| Mr. Syed Azizur Rahman | Member | 11 | 11 |
| Mr. Yogesh Kumar | Member | 11 | 11 |
| Mr. Surendra Mohan Sikka** | Member | 10 | 6 |

(*) Mr. Narendra Singh Bisht relinquished the office of Independent Director w.e.f. July 13, 2018 therefore he ceased to be the member of the Committee. During this period i.e. from April 01, 2018 to July 13, 2018, only One (1) meeting of the Stakeholders' Relationship Committee was held.

(**) Mr. Surendra Mohan Sikka was appointed as a Member of Stakeholders' Relationship Committee w.e.f. July 13, 2018. After his appointment as a member of the Committee, ten (10) meetings of Stakeholders' Relationship Committee were held.

NOTE: After the resignation of Mr. Narendra Singh Bisht (Member and Chairman), the Company has not appointed any regular Chairman for the Committee.

Compliance Officer

Ms. Kanishka Jain*, Company Secretary is the Compliance Officer of the Company. The Corresponding addresses of Compliance officer is as follows:

Registered Office : A-26 UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh- 203205.
Phn: 05735-222568

Corporate Office : F-32/3, Second Floor, Okhla Industrial Area, Phase II, New Delhi- 110020
Phn No. 011-42524454

E-mail id : secretarial@shrigangindustries.com; cs@shrigangindustries.com

Website : <https://www.shrigangindustries.com>

(*) Ms. Kanishka Jain has been appointed as the Company Secretary of the company w.e.f. May 01, 2018 due to the resignation of Ms. Shefali Sharma.

The Company welcomes all the shareholders to communicate with the Company as per the above details or through the Company's Registrar and Share Transfer Agent, whose particulars are given later in this report.

Pursuant to the Regulation 13 of SEBI Listing Regulations, Company has duly filed with the recognized stock exchange(s) on a quarterly basis, within twenty-one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter.

No complaints were pending at the beginning of the year and only one complaint was received by the company during the year which was resolved within specified time. So, no complaints were outstanding as on March 31, 2019. The Company maintains continuous interaction with its RTA and takes proactive steps and actions for resolving complaints/queries of the shareholders/Investors and also takes initiatives for solving critical issues.

4. GENERAL BODY MEETINGS

(I) Annual General Meeting (AGM) Details:

The details of the last three Annual General Meetings of the Company and the Special resolutions passed thereat are as under: -

| Year | Location | Date | Time | Special Resolutions passed |
|------|--|------------|------------|---|
| 2016 | A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205 | 29.09.2016 | 3:00 PM | No Special Resolution was passed in the AGM held on 29.09.2016. |
| 2017 | A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205 | 28.09.2017 | 11:00 AM | No Special Resolution was passed in the AGM held on 28.09.2017. |
| 2018 | A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205 | 28.09.2018 | 12:00 Noon | No Special Resolution was passed in the AGM held on 28.09.2018. |

(II) Extra-Ordinary General Meeting (EGM) held during the financial year 2018-19:

During the year under review, no Extra Ordinary General Meeting was held.

(III) Postal Ballot

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

5. MEANS OF COMMUNICATION

In accordance with the Listing Regulations, the quarterly / half yearly / annual results are regularly submitted to the BSE Limited with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. The results are being published generally in **The Pioneer (English) and Vir Arjun (Hindi)** newspapers circulating in the state of Uttar Pradesh in terms of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

The official news releases, including quarterly, half yearly and annual results and presentations are posted on Company's website (www.shrigangindustries.com). Various sections of the Company's website keep the investors updated on the key and material information of the Company by providing timely information like Board profile, press release, financial results, annual reports, shareholding pattern, stock information etc.

6. GENERAL SHAREHOLDERS' INFORMATION

- a. Annual General Meeting
 - Date : September 24, 2019
 - Time : 01:00 P.M.
 - Venue : A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh- 203205
- b. Financial Year : 2018-19
- c. Dividend Payment Date : NA
- d. Book Closure date : September 18, 2019 to September 24, 2019
- e. Name and address of Stock Exchanges at which shares of the Company are listed : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
- Scrip Code : 522309
- f. ISIN
 - CDSL : INE241V01018
 - NSDL : IN8241V01017

The Company has paid the listing fees for financial year 2018-19 to the Stock Exchange where the shares of Company are listed.

g. Stock Market Data

The trading in company's equity shares was suspended by the BSE Limited due to certain non-compliance of Listing Agreement. Therefore, no stock market data is available. However, the Company has made good all the previous non-compliances and In-Principle approval for revocation of suspension of trading is received by the company from the BSE Limited subject to submission of certain documents.

h. Share price performance in comparison to broad based indices

The trading in Company's equity shares was suspended by the BSE Limited due to certain non-compliance of Listing Agreement. Therefore, price performance in comparison to broad based indices cannot be done.

i. Reasons for suspension of trading in equity shares

The Trading has been suspended due to non-payment of listing fees and due to certain other non-compliances of listing agreement. The Company has since then paid the listing fees that was due and has completed all the pending compliances and submitted the required documents with BSE Limited for revocation of suspension of trading from time to time.

j. Registrar and Transfer Agent

M/s Beetal Financial & Computer Services (P) Ltd is the Registrar and Share Transfer Agent of the Company, to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed by the shareholders holding shares in the physical mode, as per the details mentioned below:

Beetal Financial & Computer Services (P) Ltd

Beetal House, 3rd Floor, 99 Madangir, New Delhi- 110062

Ph. No. : 011-29961281/83 E-mail ID: beetalrta@gmail.com

k. Share Transfer System

As per Regulation 40 of SEBI (Listing Obligations and Regulations Requirement) Regulations, 2015, transfer of shares in physical form are registered and dispatched within 15 days from the date of their receipt, subject to the documents being valid and complete in all respects. In case of objection, the same are also dispatched within 3 weeks. The Share Transfer Committee (Stakeholders' Relationship Committee) meets frequently to consider the transfer applications and other proposals.

l. Distribution of Shareholding as on March 31, 2019

| Shareholding of Nominal value of Rs. 10 | No. of Share holders | % of shareholders | No. of shares held | % of shareholding |
|---|----------------------|-------------------|--------------------|-------------------|
| 1 to 5000 | 11347 | 94.80 | 1723720 | 21.74 |
| 5001 to 10000 | 393 | 3.28 | 326900 | 4.12 |
| 10001 to 20000 | 126 | 1.05 | 188800 | 2.38 |
| 20001 to 30000 | 39 | 0.33 | 100500 | 1.27 |
| 30001 to 40000 | 11 | 0.10 | 38900 | 0.49 |
| 40001 to 50000 | 10 | 0.08 | 46000 | 0.58 |
| 50001 to 100000 | 12 | 0.10 | 90600 | 1.14 |
| 100001 to above | 31 | 0.26 | 5414580 | 68.28 |
| Grand Total | 11969 | 100.00 | 7930000 | 100.00 |

Shareholding pattern as on March 31, 2019

| S. No. | Category | No. of Shares held | % of holding |
|------------------------------|---|--------------------|---------------|
| A. | Promoters holding | 2583005 | 32.57 |
| B. | Non-promoters holding | | |
| 1 | Institutional Investors- Banks, Mutual Fund | 179500 | 2.26 |
| 2 | Others | | |
| i) | Bodies Corporate | 2280600 | 28.76 |
| ii) | Indian Public | 2885595 | 36.39 |
| iii) | NRIs/OCBs | 1300 | 0.02 |
| Sub-total (B) | | 5346995 | 67.43 |
| Grand Total (A) + (B) | | 7930000 | 100.00 |

m. Dematerialization of Shares and Liquidity

The Company has been allotted ISIN No. i.e. **INE241V01018** by CDSL and **IN8241V01017** by NSDL.

As on the date of closure of Financial Year, 17,99,345 Equity Shares were held in Dematerialized Form.

n. Outstanding GDRs/ADRs/Warrants or Convertible Instruments, conversion

Date and likely impact on Equity : Not Applicable

o. Commodity Price Risks

The Company do not have any commodity price risks.

p. Plant Location: A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205

q. Address for correspondence:

Registered office: A-26, UPSIDC Industrial Area, Sikandrabad, Distt. Bulandshahar, Uttar Pradesh-203205.

Phone No- 05735-222568

Corporate Office: F-32/3, Okhla Industrial Area, Phase-II, New Delhi-110020.

Phone No- 011-42524454

7. OTHER DISCLOSURES

(a) Materially Significant Related Party Transactions:

During the financial year 2018-19, there were no materially significant related party transactions i.e. transactions of the Company of material nature with bodies Corporate including its subsidiaries, promoters, directors, management, and relatives, which may have potential conflict with the interests of Company at large. Members may refer to Disclosures of transactions with related parties i.e. Promoters, Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts.

In terms of Regulation 23 of Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions which is disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

(b) Accounting Standards:

The Company has followed the Accounting Standards as laid down under the Companies Act, 2013.

(c) Details of Non -Compliance:

During the last three (3) years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to capital markets. However, the trading in the Company Shares has been suspended by the Stock Exchange due to certain non-compliance of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Company has completed the pending compliances and submitted all the documents with BSE from time to time for revocation of suspension of trading.

(d) Details of Vigil Mechanism/ Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, every listed company shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed and such vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee.

For the abovementioned purpose your company has created Vigil Mechanism/ Whistle blower mechanism, a mechanism for all Directors and employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism, under the auspices of Audit committee to provide protection and heard genuine concerns of employees and its directors and to make transparency and comply the code of conduct of the company efficiently and accurately.

The Policy act as a neutral and unbiased form to voice concerns in a reasonable and effective manner without fear of reprisal.

Your company has uploaded the Vigil Mechanism Policy which has disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

Till the date audit committee has not received any complaint from its directors or employees and your Company is affirming that till the date no person has denied to access to Audit Committee.

(e) Details of compliances with mandatory requirements of the Listing Regulations

During the year, the Company had complied with all applicable mandatory corporate governance requirements of the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations (to the extent possible as these provisions are not applicable on the Company).

(f) Adoption of the non-mandatory requirements as specified in Part E of Schedule II of Listing Regulations, 2015

The Company has not yet adopted any of the non-mandatory requirements as specified in Part E of Schedule II of Listing Regulations, 2015.

(g) Certificate on Corporate Governance:

The Company has obtained **Certificate on Corporate Governance** as stipulated in Para E of Schedule V of **SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015** from Manoj Verma & Associates, Company Secretary in Practice.

(h) Prohibition of Insider Trading:

In accordance with SEBI (Prohibition of Insider Trading) Regulation, 2015, the Board of Directors has adopted the Insider Trading policy for prevention of insider trading to be followed by Directors, Employees and other connected persons.

(i) Policy on Material Subsidiary

In term of Regulation 16 of Listing Regulations, the Company has formulated policy for material subsidiary which is disclosed on Company's website (<https://www.shrigangindustries.com/policy.html>).

(j) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A): N.A. as during the financial year no such preferential allotment or qualified institutions placement took place.

(k) Certificate from Practicing Professional

A Certificate from M/s Manoj Verma & Associates, Company Secretary in Practice has been received certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

(l) M/s Satendra Rawat & Company (Firm Registration Number: 008298C) has already been appointed as Statutory Auditor of the Company. The Total fees for all services paid by your company to such Firm is Rs. 71,000 per annum.

8. CEO and CFO CERTIFICATION

As the Company doesn't have any CEO as on date, Mr. Anil Kumar Gupta, Chief Financial Officer & Mr. Syed Azizur Rahman, Whole Time Director of the Company has signed & submitted the certificate, in terms of **Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**, to the Board.

9. MANAGEMENT DISCUSSION AND ANALYSIS

A report on Management Discussion and Analysis is attached as a part of Corporate Governance Report in "**Annexure D**".

10. CODE OF CONDUCT

- i. The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to Directors (including Senior Management of the Company) have been sent to all the Directors and Senior Management Personnel. The Code is also disclosed on the website of the Company (<https://www.shrigangindustries.com/investor-relations.html>).
- ii. The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the financial year ended 31st March, 2019.

Declaration Affirming Compliance of provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the period ended March 31, 2019.

By Order of the Board

For Shri Gang Industries and Allied Products Limited

Sd/-

Syed Azizur Rahman

Whole Time Director

DIN: 00242790

Add: Flat B-104 (FF), Ananda Apartments,

Plot No 35A, Block D, Sector-48,

Gautam Budha Nagar, Noida,

Uttar Pradesh- 201301

Sd/-

Anita Gupta

Director

DIN: 00243804

Add: W-15/40, Western Avenue,

Sainik Farms, Delhi- 110062

Date: 13.08.2019

Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Shri Gang Industries and Allied Products Limited is engaged into the business of manufacturing and Sale of Vanaspati, Refined Oils and Bakery Shortening. It manufactured these products under its brands "Apna" and "Mr. Baker" and the sales were mainly in the State of Uttar Pradesh. The manufacturing activities at factory premises was suspended with effect from March 25, 2010 and accordingly "Lay Off" was declared.

Thereafter the company had submitted a Modified Rehabilitation Scheme to Hon'ble BIFR so that the company could resume its operations and come out of sickness. Hon'ble BIFR and Government of Uttar Pradesh had sanctioned a rehabilitation scheme for the revival of the company. As per the scheme, the company has to pay only the principal the past dues of Commercial Tax Department, PICUP and Paschimanchal Vidyut Vitran Nigam Ltd (PVVNL) over a period of 12 years.

Based on these developments the company resumed its manufacturing operations in its Vanaspati unit on a limited scale. In the current year the company was not able to scale up its operations to the desired level as PVVNL had not restored the power connection to the unit. Now the power connection has been restored to the Unit. The operations would be gradually scaled after carrying out some essential modifications, additions and technological up gradations in the existing plant and equipment.

As a part of the rehabilitation scheme the company is setting up a grain based Distillery unit with Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi. The company has already been allotted land by UPSIDC in Sandila Industrial Area for setting up the unit.

The company has received Environmental Clearance for the Distillery Unit from the State Level Environment Impact Assessment Authority, Uttar Pradesh. As regards, the Bottling Unit, the company has obtained Consent to Establish from the UP Pollution Control Board and the Bottling Unit is under erection and is expected to commence commercial production in FY 2019-20.

The setting up of the new unit would help in the revival of the company.

OPPORTUNITIES AND THREATS

- The inconsistent Government policies relating to import duties on edible oils as well as Vanaspati and Bakery shortening is biggest threat to the edible oil industry.
- Similarly change in Government policy with respect to the production and consumption of alcohol can also be seen as a threat.

FINANCIAL PERFORMANCE

During the year under review the sales were to the extent of Rs.439.65 Lakh. Further during the Financial Year 2018-19 the Company has incurred a loss of Rs. 255.02 Lakh as compared to the loss of Rs. 480.91 Lakh during the previous Financial Year.

OUTLOOK

The company is in the process of scaling up its manufacturing and trading operations for its edible oil unit. Apart from this, company is setting up a Distillery and Bottling Unit for IMFL & Country Liquor at Sandila, Dist. Hardoi. All this would aid the revival of the company.

RISKS AND CONCERNS

The company does not foresee any major risks except for the change in Government Policy with respect to alcohol production and consumption in India.

CASH FLOW ANALYSIS

The Cash Flow Statement of the Company for the year under review, in terms of Regulation 34(2) of the (Listing Obligations and Disclosures Requirements) Regulations, 2015 is annexed to the Annual Accounts of the company which forms part of the Annual Report.

FINANCE COST

The financial charges for the financial year ended on March 31, 2019 were Rs. 158.93 lakh. This is mainly on account of interest payable on the unsecured loan taken by the company.

OTHER EQUITY (RESERVES AND SURPLUS)

As on March 31, 2019 the Reserves and Surplus in the Balance Sheet were negative at Rs. 7,387.04 Lakh as compared to the negative balance of Rs. 7132.02 Lakh during the Financial Year 2017-18.

EARNING PER SHARE

Earnings per share of the company is negative at (3.22) as against the Earning Per Share of (6.06) of last year.

INTERNAL CONTROLS

The Company has adequate internal controls commensurate with its size and nature of business. These internal controls ensure optimum use and protection of available resources.

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

Sd/-
Syed Azizur Rahman
Whole Time Director
DIN: 00242790
Add: Flat B-104 (FF), Ananda Apartments,
Plot No 35A, Block D, Sector-48,
Gautam Budha Nagar, Noida,
Uttar Pradesh- 201301

Sd/-
Anita Gupta
Director
DIN: 00243804
Add: W-15/40, Western Avenue,
Sainik Farms, Delhi- 110062

Date: 13.08.2019
Place: New Delhi

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**a) Conservation of energy**

| | | |
|-------|--|---|
| (i) | the steps taken or impact on conservation of energy | The Company is in the process of gradually scaling up its manufacturing operations. It would accordingly take necessary steps to improve energy efficiency. |
| (ii) | the steps taken by the company for utilizing alternate sources of energy | The company is evaluating the cost-benefits of using solar energy. |
| (iii) | the capital investment on energy conservation equipment's | Nil |

(b) Technology absorption

| | | |
|-------|--|---|
| (i) | the efforts made towards technology absorption | The company is in the phase of stabilizing its operations and is in the process of evaluating the latest technology being adopted in this industry. |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | None so far as the company is in the phase of stabilizing its operations. |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | NA |
| | (a) the details of technology imported | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| (iv) | the expenditure incurred on Research and Development | NIL |

c) Foreign Exchange Earnings/Outgo:

| Particulars | Year Ended 31 st March, 2019 | Year Ended 31 st March, 2018 |
|---|---|---|
| Earnings | NIL | NIL |
| Outgo | | |
| Expenditure in foreign currency (other than CIF value of imports) | NIL | NIL |

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

**Sd/-
Syed Azizur Rahman
Whole Time Director
DIN: 00242790
Add: Flat B-104 (FF), Ananda Apartments,
Plot No 35A, Block D, Sector-48,
Gautam Budha Nagar, Noida,
Uttar Pradesh- 201301**

**Sd/-
Anita Gupta
Director
DIN: 00243804
Add: W-15/40, Western Avenue,
Sainik Farms, Delhi- 110062**

Date: 13.08.2019

Place: New Delhi

CORPORATE GOVERNANCE CERTIFICATE

We have examined the compliance of the conditions of Corporate Governance by **M/s Shri Gang Industries and Allied Products Limited** for the year ended on March 31, 2019 as stipulated in **Regulation 34(3), Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations 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. However, the provisions of Regulation 15 (2) of SEBI (LODR) Regulations, 2015, Para C, D, E of Schedule V for Corporate Governance does not apply to the Company as the Paid-up share capital of the Company is Rs 7,93,00,000 (i.e. less than Rs. 10 Crore) and Net Worth is negative (i.e. less than Rs. 25 Crores) as on the last day of the previous financial year. Company is voluntarily complying with these Regulations to the extent possible as a part of good Corporate Governance practice.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in **Regulation 34(3), Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee (Stakeholders Relationship Committee.)

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

**For Manoj Verma & Associates
Company Secretaries**

**Sd/-
Manoj Kumar Verma
Practicing Company Secretary
CP- 8275
FCS-7632**

**Place : New Delhi
Date : 13.08.2019**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
M/s Shri Gang Industries and Allied Products Limited
A-26, UPSIDC Industrial Area,
Sikandrabad, Bulandshahar, Uttar Pradesh- 203205

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Shri Gang Industries and Allied Products Limited**, having CIN: **L01112UP1989PLC011004** and having registered office at **A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh- 203205** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company, Directors & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment |
|---------|--------------------------|----------|---------------------|
| 1. | Mr. Syed Azizur Rahman | 00242790 | 14/03/2016 |
| 2. | Mr. Yogesh Kumar | 07216171 | 14/08/2017 |
| 3. | Mr. Surendra Mohan Sikka | 07018508 | 13/07/2018 |
| 4. | Mr. Sunil Goel | 01229459 | 14/02/2019 |
| 5. | Mrs. Anita Gupta | 00243804 | 06/03/2019 |

Ensuring the eligibility of every Director for the appointment / continuity on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MANOJ VERMA & ASSOCIATES
COMPANY SECRETARIES

Sd/-
(MANOJ KUMAR VERMA)
PRACTICING COMPANY SECRETARY
FCS- 7632
C P- 8275

Place: New Delhi

Date: 13.08.2019

CEO AND CFO CERTIFICATE

(UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,
The Board of Directors,
Shri Gang Industries and Allied Products Limited
A-26, UPSIDC Industrial Area,
Sikandrabad, Bulandshahar,
Uttar Pradesh- 203205

We hereby certify that: -

- a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended on March 31, 2019 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company which are fraudulent, illegal or violative of the Company's code of conduct.
- c) Based on our observance and on the basis of submissions received through sub-certification process, we certify that internal controls and financial reporting are established, maintained and are effective considering the nature and size of the business requirement. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.
- d) During the year under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud has been found by management or employees having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board
For Shri Gang Industries and Allied Products Limited**

**Sd/-
Anil Kumar Gupta
Chief Financial Officer**

**Sd/-
Syed Azizur Rahman
Whole Time Director**

Place: New Delhi

Date: 13.08.2019

Note: As Company doesn't have any CEO as on date Mr. Syed Azizur Rahman, Whole Time Director and Mr. Anil Kumar Gupta, Chief Financial Officer of the company has been authorized by the Board to submit the certificate, in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, to the Board.

**SECRETARIAL COMPLIANCE REPORT OF
SHRI GANG INDUSTRIES LIMITED AND ALLIED PRODUCTS LIMITED
FOR THE YEAR ENDED MARCH 31, 2019**

We have examined

- (a) all the documents and records made available to us and explanation provided by M/s Shri Gang Industries and Allied Products Limited (“the Listed Entity”) having its Registered Office at A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205,
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2019 (“Review period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Listed Entity during the Review Period);**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Listed Entity during the Review Period);**
- (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Listed Entity during the Review Period);**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Listed Entity during the Review Period);**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not applicable to the Listed Entity during the Review Period);**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

- a) The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

| Sr. No. | Compliance Requirement (Regulations/ circulars / guidelines including specific clause) | Deviations | Observations/ Remarks of the Practicing Company Secretary |
|---------|--|---|--|
| 1. | Regulation 31(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 | The 100% promoters' shareholding in the Listed Entity is not in demat form. | As per Regulation 31(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Listed Entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board. <i>However, promoters' holding upto the extent of 66.19% is in demat form.</i> |

| | | | |
|----|---|--|--|
| 2. | Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 | At least half of the board of the directors shall comprise of Independent Directors in case the listed entity does not have a regular non-executive chairperson. <i>However the Listed Entity has only two (2) Independent Directors and the Listed Entity does not have a regular non-executive chairperson w.e.f. 14.02.2019.</i> | As per Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least half of the board of the directors shall comprise of Independent Directors in case the listed entity does not have a regular non-executive chairperson. However, it is observed that w.e.f. 14.02.2019, the Listed Entity has five (5) directors but the Listed Entity has only two (2) Independent Directors (i.e. less than half of the Board of Directors of the Listed Entity). <i>However, it is clarified that the provisions of Regulation 15 (2) of SEBI (LODR) Regulations, 2015, Para C, D, E of Schedule V for Corporate Governance does not apply to the Listed Entity as the Paid-up share capital of the Listed Entity is Rs 7,93,00,000 (i.e. less than Rs. 10 Crore) and Net Worth is negative (i.e. less than Rs. 25 Crores) as on the last day of the previous financial year. Company is voluntarily complying with these Regulations to the extent possible as a part of good Corporate Governance practice.</i> |
|----|---|--|--|

- b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

| Sr. No. | Action taken by | Details of violation | Details of action taken E.g. fines, warning letter, debarment, etc. | Observations/ remarks of the Practicing Company Secretary, if any. |
|---------|-----------------|----------------------|--|--|
| NIL | | | | |

- d) The Listed Entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Observations of the Practicing Company Secretary in the previous reports | Observations made in the secretarial compliance report for the year ended... <i>(The years are to be mentioned)</i> | Actions taken by the listed entity, if any | Comments of the Practicing Company Secretary on the actions taken by the listed entity |
|---------|--|--|--|--|
| NA* | | | | |

***This being the first year of submission of this Report, therefore observation of previous years are not applicable.**

**For Manoj Verma & Associates
Company Secretaries**

**Sd/-
Manoj Kumar Verma
Practicing Company Secretary
CP- 8275
FCS-7632**

**Place : New Delhi
Date : 28.05.2019**

INDEPENDENT AUDITOR'S REPORT

To the Members of Shri Gang Industries & Allied Products Limited

Report on the Financial Statements

We have audited the accompanying standalone IndAS Financial Statements of **Shri Gang Industries & Allied Products Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit & Loss, the Statement of Changes in Equity and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone IndAS Financial Statements").

Management's Responsibility for the Standalone IndAS Financial Statements

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these standalone IndAS Financial Statements to 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 (IndAS) prescribed under section 133 of the Act, read with relevant Rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgment 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 IndAS 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 IndAS Financial Statements based on our audit. We have taken in to 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 Rules made thereunder.

We conducted our audit of the standalone IndAS 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 IndAS Financial Statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IndAS 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 including the IndAS, of the financial position of the Company as at March 31, 2019, and its financial performance including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information

and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit & Loss, the Statement of Changes in Equity and Cash Flow statement dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, the aforesaid Standalone IndAS Financial Statements comply with the Accounting Standards specified in Section 133 of the Act.
- (e) On the basis of written representation received from the Directors as on March 31, 2019 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2019 from being appointed as a Director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us-
 - (i) The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in notes to the Standalone IndAS Financial Statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No. - 074126

Date: 30.05.2019
 Place: New Delhi

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended March 31, 2019)

In terms of 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 report, on the matters specified in the paragraph 3 and 4 of the Order, as may be applicable, as hereunder:

1. a) During the year the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Management has stated to have carried out the physical verification of the fixed assets during the year under consideration. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) As explained to us, the title deeds of immovable properties are held in the name of the company.
2. a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, paragraph 3(iii) (a) to(c) of the Order are not applicable to the Company.
4. According to information and explanations given to us the company has not given any loan to directors or any other person in whom the directors is interested, or given any guarantee or provided any security in connection with any loan taken by directors or such other person, as provided in sections 185 & 186 of

the Companies Act, 2013, therefore other disclosure requirements are not applicable to the company for the year.

5. The Company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the rules framed there under to the extent notified.
6. Pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, in our opinion and to best of our knowledge, the prescribed cost records, prima facie, have been made and maintained.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities, to the extent applicable to it. Further, no undisputed amounts payable in respect thereof were in arrears at the year-end for a period of more than six months from the date they became payable; except the following:
 - (i) Deferred Trade Tax/ Vat amounting to Rs.2663.29 lacs as explained in note no. 26 of these financial statements.
 - (ii) Excise Duty and Penalty thereon payable in installments amounting to Rs 30.31 lacs;
 - (iii) Employees' State Insurance amounting to Rs 4.21 lacs.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no statutory dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax as applicable, which have not been deposited on account of any dispute; except the following:
 8. Based on our audit procedures and on the information and explanations given by management and in terms of UP Government Order dated 29.12.2016 regarding measures of rehabilitation and re-scheduled repayment terms, we are of the opinion that the company has not defaulted in repayment of dues to PICUP for the outstanding amount of Rs. 446 lacs.
 9. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loans during the year. According, para 3 (ix) of the Order is not applicable.
 10. According to the information and explanations given to us, no material fraud by the Company and on the company by its officers or employees has been noticed or reported during the course of our audit.
 11. In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration in excess of the limits and approvals prescribed under Section 197 read with Schedule V to the Companies Act, 2013.
 12. According to the information and explanations given to us the Company is not a Nidhi Company. Accordingly, para 3 (xii) of the Order is not applicable.
 13. According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not entered into any transactions with the related parties as specified under sections 177 and 188 of the Act, except loan from a director which has been in compliance of the provisions and has been duly disclosed in the financial statements.
 14. According to the information and explanations given to us and on the basis of our examination of 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.
 15. According to the information and explanations given to us and on the basis of our examination of records of the Company, the company has not entered into any non-cash transactions with its directors or persons connected with him.
 16. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company is not required to be registered with Reserve Bank of India u/s 45-IA of the Reserve Bank of India Act, 1934.

| Sl. No. | Statute | Nature of dues | Forum where dispute is pending | Amount (Rs.) | Period to which the amount relates |
|---------|--------------------|------------------------------|--------------------------------|---------------|------------------------------------|
| 1 | U.P. Trade Tax Act | Demand on regular assessment | Trade Tax Tribunal | 4,67,03,355/- | FY 2005-06 |
| 2 | U.P. Vat Act | Demand on regular assessment | Trade Tax Tribunal | 2,15,000/- | FY 2009-10 |

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

Sd/-
(CA. Satendra Rawat)

Date: 30.05.2019

Place: New Delhi

Partner

Membership No. - 074126

Annexure – B 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”)

We have audited the internal financial controls over financial reporting of Shri Gang Industries & Allied Products Limited (“the company”) as of March 31, 2019 in conjunction with our audit of Standalone IndAS Financial Statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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”) and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 procedure 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 assessed risk. The procedure selected depends on the auditor’s judgement, including the assessment of the risk of material misstatement of the Standalone IndAS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the asset of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure 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 Limitation of internal financial controls over financial reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal controls 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 ICAI.

**For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C**

**Sd/-
(CA. Satendra Rawat)
Partner
Membership No. - 074126**

Date: 30.05.2019
Place: New Delhi

BALANCE SHEET AS AT 31ST MARCH 2019

| <i>Particulars</i> | | <i>Note No.</i> | <i>As at 31st March 2019</i> | <i>As at 31st March 2018</i> |
|---|--------------------------------|-----------------|------------------------------|------------------------------|
| ASSETS | | | | |
| 1 | Non-current assets | | | |
| a | Property, plant and equipment | 2 | 189,281,583 | 185,581,977 |
| b | Capital work-in-progress | | 105,024,687 | - |
| c | Financial assets | | | |
| i | Trade Receivables | | - | - |
| ii | Other Financial Assets | 3 | 13,020,921 | 12,506,696 |
| d | Deferred tax assets (Net) | | - | - |
| e | Other non-current assets | 4 | 94,892,621 | 40,294,335 |
| 2 | Current assets | | | |
| a | Inventories | 5 | 1,398,380 | 8,903,937 |
| b | Financial assets | | | |
| i | Investments | | - | - |
| ii | Trade Receivables | 6 | - | 6,957,786 |
| iii | Cash and cash equivalents | 7 | 541,841 | 1,844,261 |
| c | Current Tax Asset (Net) | | - | - |
| d | Other current assets | 8 | 21,743,811 | 11,518,600 |
| TOTAL ASSETS | | | 425,903,844 | 267,607,592 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| a | Equity Share capital | 9 | 79,300,000 | 79,300,000 |
| b | Other equity | 10 | (738,704,039) | (713,202,402) |
| Liabilities | | | | |
| 1 | Non-current liabilities | | | |
| a | Financial liabilities | | | |
| i | Borrowings | 11 | 41,280,000 | 62,755,000 |
| ii | Other financial liabilities | | - | - |
| b | Provisions | 12 | 125,569 | 217,656 |
| c | Deferred tax liabilities (Net) | | - | - |
| d | Other non-current liabilities | 13 | 358,770,559 | 487,423,165 |
| 2 | Current liabilities | | | |
| a | Financial liabilities | | | |
| i | Borrowings | 14 | 584,724,722 | 312,369,507 |
| ii | Trade and other payables | 15 | 31,854,890 | 33,330,122 |
| b | Other current liabilities | 16 | 68,552,143 | 5,414,545 |
| d | Current Tax Liabilities (Net) | | - | - |
| TOTAL EQUITY & LIABILITIES | | | 425,903,844 | 267,607,592 |
| The accompanying notes form an integral part of these financial statements | | 1 to 42 | | |

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: Delhi
Date: 30.05.2019

For & on Behalf of Board of Directors

Sd/-
Syed Azizur Rahman
(Whole-Time Director)
DIN- 00242790

Sd/-
Anil Kumar Gupta
Chief Financial Officer

Sd/-
Yogesh Kumar
(Director)
DIN- 07216171

Sd/-
Kanishka Jain
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2019

| <i>Particulars</i> | <i>Note no.</i> | <i>For the year ended on 31st March 2019</i> | <i>For the year ended on 31st March 2018</i> |
|---|-----------------|--|--|
| Continuing Operations | | | |
| Revenue from operations | 17 | 43,964,886 | 130,334,411 |
| Other income | 18 | 6,512,864 | 1,481,718 |
| Total revenue | | 50,477,750 | 131,816,129 |
| Expenses | | | |
| Cost of materials consumed | 19 | 36,790,199 | 125,107,205 |
| Purchase of stock in trade | | - | 222,218 |
| Changes in inventories of finished goods, work in progress and stock-in-trade | 20 | 6,781,334 | 1,052,425 |
| Employee benefit expense | 21 | 6,058,981 | 8,159,776 |
| Finance cost | 22 | 15,893,040 | 22,139,888 |
| Depreciation and amortisation expense | 23 | 2,149,041 | 2,125,982 |
| Other expense | 24 | 6,394,700 | 14,764,746 |
| Total expenses | | 74,067,295 | 173,572,240 |
| Profit/ (loss) before exceptional items | | (23,589,545) | (41,756,111) |
| Exceptional items | | | |
| Prior Period Expenses | | 1,912,092 | 2,069,368 |
| Impairment of Capitalised property, plant and equipment | | - | 155,437 |
| Capital WIP Written off | | - | 3,974,379 |
| Provision for Trade receivables considered doubtful | | - | 135,999 |
| Profit/ (loss) before tax | | (25,501,637) | (48,091,294) |
| Tax expense | | | |
| a) Current tax | | - | - |
| b) Deferred tax | | - | - |
| Total Tax Expense | | - | - |
| Profit/ (loss) for the period | | (25,501,637) | (48,091,294) |
| Other comprehensive income | | | |
| - Items that will not be reclassified to profit or loss | | | |
| Remeasurement of defined benefit plans | | - | - |
| - Income tax relating to items that will not be reclassified to profit or loss | | | |
| Revaluation of Financial Instruments | | - | - |
| - Items that will be reclassified to profit or loss | | | |
| - Income tax relating to items that will be reclassified to profit or loss | | | |
| Other Comprehensive income (net of Tax) | | - | - |
| Total comprehensive income for the period | | (25,501,637) | (48,091,294) |
| Earnings per equity share | 37 | | |
| a) Basic | | (3.22) | (6.06) |
| b) Diluted | | (3.22) | (6.06) |
| The accompanying notes form an integral part of these financial statements | 1 to 42 | | |

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: Delhi
Date: 30.05.2019

For & on Behalf of Board of Directors

Sd/-
Syed Azizur Rahman
(Whole-Time Director)
DIN- 00242790

Sd/-
Anil Kumar Gupta
Chief Financial Officer

Sd/-
Yogesh Kumar
(Director)
DIN- 07216171

Sd/-
Kanishka Jain
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

| Particulars | For the year ended on 31st March 2019 | | For the year ended on 31st March 2018 | |
|---|--|----------------------|--|----------------------|
| | | | | |
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before Tax & Extraordinary items | | (25,501,637) | | (48,091,294) |
| Add: Non cash and Non operating items | | | | |
| Depreciation and amortization expenses | 2,149,041 | | 2,125,982 | |
| Finance Costs | 15,893,040 | | 22,139,888 | |
| Provision for Employee Benefits | (92,087) | | 194,746 | |
| Loss on Discardment of Fixed Asset | - | | 4,129,816 | |
| | 17,949,994 | | 28,590,432 | |
| Less: Non Operating items | | | | |
| Interest on Fixed Deposit | 571,362 | 17,378,632 | 410,774 | 28,179,658 |
| | | (8,123,005) | | (19,911,636) |
| Operating Profit before Working Capital changes | | | | |
| Adjustments for: | | | | |
| Inventories | 7,505,557 | | 1,244,928 | |
| Trade & Other Receivables | 6,957,786 | | (6,023,068) | |
| Other Current Assets | (10,225,211) | | (7,913,045) | |
| Non Current Assets | (54,598,286) | | 39,320,039 | |
| Trade Payable | (1,475,232) | | (71,667,485) | |
| Other Current Liabilities | 63,137,598 | 11,302,212 | 2,031,387 | (43,007,244) |
| Cash Generated from operations before extraordinary item and tax | | 3,179,207 | | (62,918,881) |
| Less: Taxes Paid | | - | | - |
| Less: Leave Encashment and Gratuity Paid | | - | | - |
| Cash Flow before Extraordinary items | | 3,179,207 | | (62,918,881) |
| B) Net Cash from Operating Activities.....(A) | | | | |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Payments towards fixed assets/CWIP | (110,873,333) | | (154,962,425) | |
| Other Financial Assets | (514,225) | | (12,506,696) | |
| C) Net Cash used in Investing Activities.....(B) | | (111,387,558) | | (167,469,121) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Movement in Short Term Borrowings | 272,355,215 | | 191,659,163 | |
| Movement in Long Term Borrowings | (21,475,000) | | (17,375,000) | |
| Movement in Deferred Payments/Security Deposits | (128,652,606) | | 79,514,770 | |
| Interest on Fixed deposits | 571,362 | | 410,774 | |
| Finance Costs | (15,893,040) | | (22,139,888) | |

| Particulars | | For the year ended on 31st March 2019 | | For the year ended on 31st March 2018 | |
|---|---|--|--------------------|--|--------------------|
| D) | Net Cash received in financing Activities.....(C) | | 106,905,931 | | 232,069,819 |
| | NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C) | | (1,302,420) | | 1,681,816 |
| | Cash & Cash Equivalents as at beginning of year (excluding pledged FDR's) | | 1,844,261 | | 162,445 |
| | Cash & Cash Equivalents as at end of year (excluding pledged FDR's) | | 541,841 | | 1,844,261 |
| The accompanying notes form an integral part of these financial statements | | | | | |

- (I) Figures in brackets represent deductions and outflows
- (II) Cash & Cash Equivalents do not include Fixed Deposits pledged with Bank and accrued interest thereon as the same are not highly liquid and readily convertible into cash.
- (III) The previous year's figures have been restated, wherever considered necessary.

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: 008298C

For & on Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Sd/-
Syed Azizur Rahman
(Whole-Time Director)
DIN- 00242790

Sd/-
Yogesh Kumar
(Director)
DIN- 07216171

Place: Delhi
Date: 30.05.2019

Sd/-
Anil Kumar Gupta
Chief Financial Officer

Sd/-
Kanishka Jain
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31ST MARCH 2019

A. Equity share capital

(Rs. INR)

| | |
|---|-------------------|
| Issued and Paid up Capital at 1 April 2018 | 79,300,000 |
| Changes in equity share capital during the year | - |
| Balance at 31 March 2019 | 79,300,000 |

B. Other Equity

(Rs. INR)

| | Note No. | Reserve and Surplus | | | Total |
|---|----------|---------------------|-----------------|----------------------|----------------------|
| | | General Reserve | Capital Reserve | Retained Earnings | |
| Balance at 1st April 2018 | | 22,000,000 | 81,000 | (735,283,402) | (713,202,402) |
| Profit for the year | | - | - | (25,501,637) | (25,501,637) |
| Other Comprehensive income for the year | | - | - | - | - |
| Total Comprehensive income | | - | - | (25,501,637) | (25,501,637) |
| Transfers during the year | | - | - | - | - |
| Balances as at 31st March 2019 | | 22,000,000 | 81,000 | (760,785,039) | (738,704,039) |

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Place: Delhi
Date: 30.05.2019

For & on Behalf of Board of Directors

Sd/-
Syed Azizur Rahman
(Whole-Time Director)
DIN- 00242790

Sd/-
Anil Kumar Gupta
Chief Financial Officer

Sd/-
Yogesh Kumar
(Director)
DIN- 07216171

Sd/-
Kanishka Jain
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2019

1. SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April 2017, with transition date of 1st April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16th February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly the financial statements comply with Ind AS prescribed under section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements upto and for the year ended on 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended), as notified under section 133 of the Act (Previous Indian GAAP) and other relevant provisions of the Act.

The financial statements for the year ended on 31st March 2018 are the first financial statements of the company prepared under Ind AS. However the transition to Ind AS has not affected the previously reported financial position, financial performance and cash flows of the company

The financial statements are prepared on the historical cost convention, except for certain financial instruments which are measured at fair value.

The financial statements were authorised for issue by the Board of Directors of the company on 30.05.2019

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 the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

ii) CURRENT VERSUS NON CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within twelve months after the reporting period; or
- d) it is cash or cash equivalent unless it 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 assets

Liabilities

A Liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting period; or
- d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the

reporting period. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non current liabilities.

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

ii) USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of Revenue, Expenses, Assets and Liabilities and disclosure of contingent liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

iii) RECOGNITION OF INCOME AND EXPENDITURE:

- i) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred in accordance with the generally accepted Accounting principles and Accounting Standards as applicable in India.
- ii) In case of sales & purchase, accrual is deemed to have taken place on actual delivery of goods.
- iii) In case of interest, income is recognized in relation to period to which it pertains.
- iv) In case of uncertainties as to the risks & rewards, the conservative accounting policy is adopted by way of making suitable provisions for expenses and deferring the recognition of revenues.

iv) EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in factory premises. Cenvat credit is accounted on accrual basis on purchase of materials.

v) EMPLOYEES BENEFITS:

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

vi) PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

1. it is probable that future economic benefits associated with the item will flow to the entity; and
2. the cost of the item can be measured reliably.

Property, Plant and Equipments ('PPE') are stated at cost of acquisition or construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management less accumulated depreciation and cumulative impairment losses & net of recoverable taxes (net of Cenvat and VAT credit wherever applicable).

Subsequent Costs

Subsequent expenditure related to an item of PPE is added to its carrying amount or recognized as a separate asset, if appropriate and carrying amount of replacement parts is derecognized at its carrying value.

Spare parts or stores meeting the definition of PPE, either procured along with equipment or subsequently, are capitalized in the asset's carrying amount or recognized as separate asset, if appropriate. However cost of day to day servicing are recognized in profit or loss as incurred. Cost of day to day service primarily include costs of labor, consumables and cost of small spare parts.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from continued

use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

Transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Property, Plant & Equipment.

Depreciation / amortization

- i) Depreciation on items of PPE is provided on straight line method in accordance with the useful life as specified in Schedule II to the Companies Act, 2013.
- ii) Depreciation on additions to assets or on sale/discard of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ discardment.
- iii) No amounts are written off against Leasehold Land by way of amortization.
- iv) Assets residual values and useful lives are reviewed and adjusted, at the end of each reporting period.
- v) Assets residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are recorded at the consideration paid for acquisition and are amortized over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the company for its use. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is de-recognized.

For transition to Ind AS, company has elected to continue with the carrying value of all of its Intangible Assets recognized as at 1st April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of Intangible Assets.

Capital Work in Progress

The cost incurred on assets, which are not yet ready to use and capital inventory are disclosed under capital work-in-progress.

Expenditure incurred during the period of construction including all direct expenses (including finance cost) attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is carried forward. On completion, the costs are allocable to the respective fixed assets. All costs attributable to respective assets are capitalized to the assets. Other expenses are capitalized to Plant and Machinery in proportion of the value of the assets.

vii) 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 Asset

Initial Recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset (which are not measured at fair value through profit or loss) at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- 1. Financial assets measured at amortised cost;

2. Financial assets measured at fair value through profit or loss (FVTPL); and
3. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- A. The Company's business model for managing the financial assets, and
- B. The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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 profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- A. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- B. The asset's contractual cash flows represents SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

viii) VALUATION OF INVENTORIES

| Particulars / Item Type | Method of Valuation |
|--|--|
| 1. Raw Material, Packing Material & Consumables (including in transit) | At Cost including direct procurement Overhead / Taxes. |
| 2. Finished Goods (including in transit) | At cost or net realisable value, whichever is lower |
| 3. Stock in process | At cost |
| 4. By Products | At net realisable value |
| 5. Loose Tools | At cost and charged off when discarded |
| 6. Shares / Securities (Quoted) | At lower of cost or net realizable value |

In the above, cost is arrived at by FIFO cost method. In case of Finished Goods and Stock in Process, it also includes manufacturing & related establishment overheads, depreciation etc.

All the spares, which are primarily meant to be used for capitalization (except consumables and maintenance stores), are considered as part of the plant & machinery and shown accordingly.

ix) INVESTMENTS

Long-term investments are stated at cost price. Any diminution of permanent nature in the value of the long-term investments is suitably provided for by charging off to revenue. Current (Short-term and stock in trade) investments are stated at lower of cost or net realisable value.

In case of unquoted shares, the diminution in value of shares is arrived on the basis of break up value as per latest available audited balance sheet of the respective company.

x) FOREIGN CURRENCY TRANSACTIONS

Functional and presentation currency

The management has determined the currency of the primary economic environment in which the company operates i.e., functional currency, to be Indian Rupee (INR). The financial statements are presented in Indian Rupee, which is company's functional and presentation currency.

Transactions and balances

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction in the functional currency. Foreign currency monetary assets and Liabilities are translated at using the year-end exchange rate. Exchange gains and losses are duly recognised in the Statement of profit and loss.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period.

In case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognised as income or expense over the life of the contract.

xi) TAXATION

- i) Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961. The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of temporary difference resulting from the recognition of items in the financial statements.
- ii) Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits, any unused tax losses and deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, 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. Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there exist strong circumstances for its adjustment/realization in near future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

- iii) Provision for Wealth Tax is made on the basis of estimated taxable wealth after taking into consideration, estimates of benefits admissible under the provisions of Wealth Tax Act, 1957.
- iv) Minimum Alternate Tax(MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India , the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

xii) IMPAIRMENT OF ASSETS

Consideration is given by the management of the company at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of assets. If any indication exists, impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. Reversal of impairment losses recognised in prior years is recorded when there is indication that the impairment losses for the assets are no longer exist.

xiii) FINANCE LEASE

Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower.

Depreciation on assets taken on lease is charged at the rate applicable to similar type of Property, Plant and Equipment as per accounting policy of the company for depreciation as above. If the leased assets are returnable to lessor on the expiry of the period, depreciation is charged over its useful life or lease period whichever is shorter.

Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in respect of assets taken on lease. Sub-lease payments received/ recoverable are recognized as other income.

xiv) OPERATING LEASES

Where the Company is the Lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the Lessor:

Assets subject to operating leases are included in Property, Plant and Equipments. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

xv) EARNINGS PER SHARE :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

xvi) PROVISIONS

A Provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

xvii) CONTINGENT LIABILITIES

A disclosure is made for a contingent liability when there is a:

- a) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain future events, not fully within the control of the Company;
- b) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- c) present obligation, where a reliable estimate cannot be made.

xviii) SEGMENT REPORTING

The Company's business activity primarily falls within a single business and geographical segment . There are no disclosures required to be provided in terms of Ind AS 108 on 'Segment Reporting'.

xix) CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Non-cash transactions are excluded from the Cash Flow statement.

Note: 2
Property, Plant and Equipment

| Particulars | GROSS BLOCK | | | | ACCUMULATED DEPRECIATION | | | | | | NET BLOCK | |
|-------------------------------|--------------------|-------------|------------------|---------------------|--------------------------|--------------------|---------------------|---------------------|------------------------|--------------------|--------------------|--------------------|
| | Balance as at | Adjustments | Additions | Write off of Assets | Disposals | Balance as at | Charge for the year | Write off of Assets | Eliminated on disposal | Balance as at | Balance as at | |
| | 31.03.2018 | | | | | 31.03.2019 | | | | 31.03.2019 | 31.03.2018 | |
| Leasehold Land | 157,733,400 | | 5,303,581 | | | 163,036,981 | - | | | - | 163,036,981 | 157,733,400 |
| Buildings | 44,067,224 | | | | | 44,067,224 | 31,341,588 | 1,061,536 | | 32,403,124 | 11,664,100 | 12,725,636 |
| Plant and Equipment | 135,628,028 | | 545,065 | | | 136,173,093 | 120,625,486 | 1,071,234 | | 121,696,720 | 14,476,373 | 15,002,542 |
| Furniture and Fixtures | 3,995,674 | | | | | 3,995,674 | 3,992,731 | - | | 3,992,731 | 2,943 | 2,943 |
| Vehicles | 1,769,408 | | | | | 1,769,408 | 1,761,877 | 3,717 | | 1,765,594 | 3,814 | 7,531 |
| Other Equipments & Appliances | 8,486,588 | | | | | 8,486,588 | 8,376,662 | 12,554 | | 8,389,216 | 97,372 | 109,926 |
| TOTAL | 351,680,322 | - | 5,848,646 | - | - | 357,528,968 | 166,098,345 | 2,149,041 | - | 168,247,385 | 189,281,583 | 185,581,977 |
| Previous Year | 222,646,985 | - | 154,962,426 | 25,929,089 | - | 351,680,322 | 189,746,015 | 2,125,982 | - | 166,098,345 | 185,581,977 | 32,900,970 |

Addition in Leasehold pertains to interest paid on deferred payment

Note: 3 Other Financial Assets

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| Non-current | | |
| Bank deposits (due for maturity after twelve months from the reporting date) <i>(As margin money towards bank guarantee given to IG Stamps Uttar Pradesh against the facility of exemption from stamp duty)</i> | 12,137,000 | 12,137,000 |
| Interest Accrued on Bank deposits above (net of tds) | 883,921 | 369,696 |
| Total | 13,020,921 | 12,506,696 |

Note: 4 Other Non-Current Assets

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| Non-current | | |
| Capital Advances for Distillery Project | | |
| - Advance for buildings | 5,860,935 | - |
| - Advance for Machinery | 19,608,303 | 800,000 |
| Pre-operative Expenses for Distillery Project | 29,929,048 | - |
| <u>Security Deposits</u> | | |
| - to PICUP * | 34,692,000 | 34,692,000 |
| - to others | 4,802,335 | 4,802,335 |
| <i>(Unsecured, Considered Good)</i> | | |
| <i>* Consequent to UP Govt order dated 29.12.2016 for reschedulement of deferred dues, and is liable for forfeiture if the terms of re-scheduled repayment is not adhered.</i> | | |
| Total | 94,892,621 | 40,294,335 |

Note: 5 Inventories

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---------------------|--------------------------|--------------------------|
| Raw Material (Oil): | | |
| - At Godown | - | 162,493 |
| - In Transit | - | - |
| | - | 162,493 |
| Work-in-process | | |
| Finished Goods | - | 6,781,334 |
| Packing Material | 1,366,110 | 1,901,528 |
| Chemical and Fuel | 32,270 | 58,582 |
| Total | 1,398,380 | 8,903,937 |

Note: 6 Trade Receivables

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| (Unsecured & considered good, unless otherwise stated) | | |
| Trade Receivables | | |
| Considered doubtful | - | 1,109,538 |
| Less : Impairment allowance for doubtful receivables | - | 1,109,538 |
| Considered good (age 0-6 months) | - | 6,957,786 |
| Total | - | 6,957,786 |

Note: 7 Cash & cash equivalents

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---------------------|--------------------------|--------------------------|
| Balance with banks: | | |
| In Current Accounts | 326,786 | 1,752,085 |
| Cash in Hand | 215,055 | 92,177 |
| Total | 541,841 | 1,844,261 |

Note: 8 Other current assets

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| GST Recoverable | 21,392,770 | 1,908,426 |
| Sales tax /Vat Recoverable | - | 101,250 |
| Tds Receivable | 291,041 | 233,904 |
| Advance to Suppliers | | |
| Considered Good | - | 7,625 |
| Considered Doubtful | - | 136,712 |
| | - | 144,337 |
| Less: Provision for doubtful | - | 136,712 |
| | - | 7,625 |
| Other amounts recoverable in cash or in kind or for value to be received | | |
| Considered Good | 60,000 | 8,622,781 |
| Considered Doubtful | - | 296,663 |
| | 60,000 | 8,919,444 |
| Less: Provision for doubtful | - | 296,663 |
| | 60,000 | 8,622,781 |
| Interest accrued but not due on loan and bank deposits | - | 644,614 |
| Total | 21,743,811 | 11,518,600 |

Note 9 Equity share capital

| Equity share capital | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|------------|---------------------|------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| (a) Authorised (Equity shares of Rs.10 each) | 8,500,000 | 85,000,000 | 8,500,000 | 85,000,000 |
| (b) Issued, Subscribed and fully paid up (Equity shares of Rs.10 each) | 7,930,000 | 79,300,000 | 7,930,000 | 79,300,000 |
| Balance at the beginning of the year | 7,930,000 | 79,300,000 | 7,930,000 | 79,300,000 |
| Changes in equity share capital during the year | - | - | - | - |
| Balance at the end of the year | 7,930,000 | 79,300,000 | 7,930,000 | 79,300,000 |

The Reconciliation of Number of Shares outstanding at the beginning and at the end of the year

| | As at 31 March 2019 | | As at 31 March 2018 | |
|----------------------------------|---------------------|------------|---------------------|------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| (a) Equity | | | | |
| Opening Balance | 7,930,000 | 79,300,000 | 7,930,000 | 79,300,000 |
| Shares allotted during the year* | - | - | - | - |
| Closing Balance | 7,930,000 | 79,300,000 | 7,930,000 | 79,300,000 |

Terms of Rights, preferences and restriction attached to shares

Note: The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

Details of shareholders holding more than 5% shares of the Company

| | As at 31 March 2019 | | As at 31 March 2018 | |
|--|---------------------|-------------------|---------------------|-------------------|
| | No. of Shares | % of shareholding | No. of Shares | % of shareholding |
| Equity shares of Rs.10 each fully paid | | | | |
| M/s Survi Trade & Agency Pvt Ltd | 1,190,000 | 15.01% | 1,190,000 | 15.01% |
| Suraj Gupta | 723,065 | 9.12% | 723,065 | 9.12% |
| Anita Gupta | 586,780 | 7.40% | 586,780 | 7.40% |

Note: 10 Other Equity

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| General Reserve | | |
| Opening Balance | 22,000,000 | 22,000,000 |
| Additions during the year | - | - |
| Closing Balance | 22,000,000 | 22,000,000 |
| Capital Reserve | | |
| Opening Balance | 81,000 | 81,000 |
| Additions during the year | - | - |
| Closing Balance | 81,000 | 81,000 |
| Surplus / (Deficit) in the Statement of Profit & Loss | | |
| Opening Balance | (735,283,402) | (687,192,108) |
| Net Profit/(Net Loss) for the current year | (25,501,637) | (48,091,294) |
| Closing Balance | (760,785,039) | (735,283,402) |
| Total | (738,704,039) | (713,202,402) |

Note: 11 Non- Current liabilities

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| Borrowings | | |
| From Banks | - | - |
| From Others | | |
| <u>Secured</u> | | |
| Term Loan from financial Institution - | | |
| Loan in lieu of deferred Trade Tax from PICUP | 40,140,000 | 44,600,000 |
| Less: Amount of Current Maturity | (4,460,000) | - |
| | 35,680,000 | 44,600,000 |
| <u>Security</u> | | |
| Secured by way of a charge on the entire immovable and movable assets of the company situated at A-26, UPSIDC Industrial Area, Sikandrabad (UP) | | |
| <u>Terms</u> | | |
| Loan is interest free Repayable in 10 annual installments w.e.f 29.12.2018 | | |

| | | |
|---|-------------------|------------|
| Unsecured | | |
| From Bodies Corporate | 500,000 | 13,055,000 |
| From Director/Ex-Director | 5,100,000 | 5,100,000 |
| <i>Terms</i> | | |
| <i>All long term Unsecured loans are interest free. There is no specific terms of repayment</i> | | |
| Total | 41,280,000 | 62,755,000 |

Note: 12 Provisions

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|----------------------------------|--------------------------|--------------------------|
| Non-current | | |
| Provision for Employees Benefits | | |
| i) Gratuity | 59,850 | 89,097 |
| ii) Leave Encashment | 65,719 | 128,559 |
| Total | 125,569 | 217,656 |

Note: 13 Other non-current liabilities

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|--------------------------|--------------------------|
| Security Deposits (Interest Free) | 10,725,000 | 32,711,000 |
| Deferred Payments | | |
| 1) Deferred Trade Tax/VAT (Secured) | 266,328,563 | 301,608,563 |
| Less: Amount of Current Maturity | (30,160,856) | - |
| | 236,167,707 | 301,608,563 |
| <i>Terms</i> | | |
| <i>These deferred amounts are interest free and repayable in 10 annual installments w.e.f 29.12.2018)</i> | | |
| <i>Security</i> | | |
| <i>Secured by way of a charge on the entire immoveable and movable assets of the company situated at A-26, UPSIDC Industrial Area, Sikandrabad (UP)</i> | | |
| 2) UPSIDC - Deferred Payment towards leasehold land | 80,061,759 | 88,989,770 |
| Less: Amount of Current Maturity | (19,211,276) | - |
| | 60,850,483 | 88,989,770 |
| <i>To be paid in 11 half yearly installments wef 01.01.2018 with interest @ 14% p.a.</i> | | |
| 3) Deferred Power Charges (Unsecured) | 57,438,752 | 64,113,832 |
| Less: Amount of Current Maturity | (6,411,383) | - |
| | 51,027,369 | 64,113,832 |
| <i>Terms</i> | | |
| <i>These deferred amounts are interest free and repayable in 10 equal annual installments w.e.f 29.12.2018)</i> | | |
| Total | 358,770,559 | 487,423,165 |

Note: 14 Current Liabilities- Borrowings

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|--------------------------|--------------------------|
| A) Secured Loans | - | - |
| B) Unsecured Loans | | |
| <u>From Body Corporates</u> | | |
| Principal amount | 506,621,250 | 291,025,000 |
| Interest payable | 47,918,541 | 16,019,507 |
| <u>From Directors</u> | | |
| Principal amount | 30,000,000 | |
| Interest payable | 184,931 | |
| <u>From others</u> | | |
| Current Maturity of overdue Public Deposits | - | 3,000,000 |
| Interest payable | - | 2,325,000 |
| Total | 584,724,722 | 312,369,507 |

Note: 15 Trade and other payables

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| - Due to Micro & Small enterprises (inc. interest) | 6,326,543 | - |
| - Due to Other than Micro & Small enterprises | 25,528,347 | 33,330,122 |
| Total | 31,854,890 | 33,330,122 |

Note: 16 Other Current Liabilities

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|--------------------------|--------------------------|
| Current Maturities of long Term Debt- PICUP | 4,460,000 | - |
| Current Maturities of Deferred Trade tax/VAT | 30,160,856 | - |
| Current Maturities of Deferred Power Charges | 6,411,383 | - |
| Current Maturities of Deferred Payment of UPSIDC | 19,211,276 | - |
| Advance from Customers | 54,619 | 38,529 |
| Other Payables: | | - |
| Statutory liabilities | 7,383,766 | 4,267,634 |
| Expenses payable | 294,466 | 243,873 |
| Accrued salary & benefits | | - |
| Salary & benefits | 368,173 | 656,905 |
| Bonus & incentives | 207,604 | 207,604 |
| | 575,777 | 864,509 |
| Total | 68,552,143 | 5,414,545 |

Note: No amount is due for credit to Investor Education and Protection Fund.

Note: 17 Revenue from operations

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|----------------------------------|-----------------------------------|-----------------------------------|
| Sale of Products: | | |
| Vanaspati & Refined Oil | 43,706,496 | 130,028,390 |
| Others | 258,390 | 306,021 |
| | 43,964,886 | 130,334,410 |
| Less: Excise Duty on By Products | - | - |
| Total | 43,964,886 | 130,334,410 |

Note: 18 Other Income

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|---------------------------------|-----------------------------------|-----------------------------------|
| OTHER INCOME | | |
| Interest on: | | |
| - Bank deposits | 571,362 | 410,774 |
| - On debts & securities | - | - |
| Unpaid liabilities written back | 5,941,502 | 631,520 |
| Miscellaneous Income | - | 439,424 |
| Total | 6,512,864 | 1,481,718 |

Note: 19 Cost of raw material consumed

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|--|-----------------------------------|-----------------------------------|
| Raw Materials (Oil) | | |
| 1. Raw Oil | | |
| Opening Stock | 162,493 | 1,051,758 |
| Purchases (including In-Transit) | 32,646,298 | 111,860,055 |
| Freight, Brokerage, & Insurance etc. | 1,246,102 | 2,836,839 |
| | 34,054,893 | 115,748,652 |
| Less: Closing Stock (including In-Transit) | - | 162,493 |
| | 34,054,893 | 115,586,159 |
| 2. Packing Material | 2,735,306 | 9,521,046 |
| Total | 36,790,199 | 125,107,205 |

Note: 20 Changes in inventories of finished goods, work in progress and stock-in-trade

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|---|-----------------------------------|-----------------------------------|
| Changes in inventory of finished goods & WIP | | |
| Opening Inventories | | |
| - Finished Goods | 6,781,334 | 7,833,759 |
| - Stock in Process | - | - |
| | a) 6,781,334 | 7,833,759 |
| Closing Inventories | | |
| - Finished Goods | - | 6,781,334 |
| - Stock in Process | - | - |
| | b) - | 6,781,334 |
| (Increase)/Decrease in stocks (b-a) | 6,781,334 | 1,052,425 |

Note: 21 Employee benefit expense

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|--|---|-----------------------------------|
| Salaries, Wages and Incentives | 5,607,870 | 7,438,610 |
| Contribution to Provident & Other Funds | 293,029 | 443,359 |
| Provision for Long term employees benefits | 101,366 | 225,486 |
| Staff Welfare | 56,716 | 52,321 |
| Total | 6,058,981 | 8,159,776 |

Note: 22 Finance Cost

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|-----------------------------------|---|-----------------------------------|
| Interest expenses: | | |
| - Working Capital Loan from banks | - | - |
| - Others | 15,716,503 | 21,905,771 |
| | 15,716,503 | 21,905,771 |
| Bank Charges | 176,537 | 234,117 |
| Total | 15,893,040 | 22,139,888 |

Note: 23 Depreciation and amortisation expenses

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|------------------------------|---|-----------------------------------|
| Depreciation on PPE (Note 2) | 2,149,041 | 2,125,982 |
| Total | 2,149,041 | 2,125,982 |

Note: 24 Other expenses

| Particulars | For year ended 31st March 2019 | For year ended 31st March 2018 |
|--|---|-----------------------------------|
| Consumption of Stores & Spares | - | 6,890 |
| Fuel, Power & Electricity | 468,914 | 1,395,558 |
| Handling Charges | 156,618 | 51,279 |
| Repair & Maintenance - Plant & Machinery | 134,100 | 431,416 |
| Repair & Maintenance - Others | 211,119 | 1,290,415 |
| Rates & Taxes | 147,750 | 546,141 |
| Rent | 40,000 | 358,000 |
| Rentals on Leased Vehicles | 612,000 | 852,000 |
| Tours & Travelling & Conveyance | 532,536 | 2,432,418 |
| Telephone, Postage & Internet Expenses | 590,223 | 266,829 |
| Legal, Professional Expenses | 132,600 | 1,882,268 |
| Printing & Stationery | 9,224 | 66,819 |
| Insurance | - | 129,096 |
| Security Services Agency charges | 696,997 | 922,684 |
| Vehicle Running & Maintenance | 552,455 | 1,273,375 |
| Advertisement and Publicity | 90,032 | 30,152 |
| Freight Outward | 33,800 | 920,150 |
| Commission, Discounts & Selling Expenses | 146,419 | 307,401 |
| Miscellaneous Expenses | 1,839,913 | 1,601,855 |
| Total | 6,394,700 | 14,764,746 |

25 Contingent Liabilities and commitments:**I. Contingent Liabilities:****(Rs in Lacs)**

| | As on 31.03.2019 | As on 31.03.2018 |
|--|-------------------------|------------------|
| a) Claims against the company not acknowledged as Debts. | | |
| Demand raised by the Trade Tax Authorities in the year 2005-06, against which the company has filed appeal before Trade Tax Tribunal. | 467.03 | 467.03 |
| Demand raised by the Trade Tax Authorities in the year 2009-10, against which the company has filed appeal before Trade Tax Tribunal. | 2.15 | 2.15 |
| Penalty on demand raised by the Central Excise Department towards excise duty on sale of by products. | - | 15.68 |
| | 469.18 | 484.86 |
| <i>In the opinion of the management, no provision is considered necessary as there are fair chances of successful outcome of appeal and also in view of the orders passed by the Government of Uttar Pradesh and BIFR.</i> | | |
| II. Commitments: | | |
| | As on 31.03.2019 | As on 31.03.2018 |
| a) Estimated amount of contracts remaining to be executed on capital account and not provided for | | |
| -Building Shed | | 0.00 |
| -Plant & Machinery | | 0.00 |

26. a) The company had made reference to Board for Industrial and Financial Reconstruction (BIFR), under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, due to complete erosion of its net worth as on 30th June 2000. The company was thereafter declared a Sick company by BIFR vide its order dated 28.5.2001. As per the sanctioned scheme of BIFR, Govt of UP had deferred Trade Tax/ Compounding tax/ State Development tax/ Turnover Tax/ VAT and power charges etc. A part of the deferred trade tax was also converted into unsecured interest free loan.
- b) Subsequently in pursuance to BIFR vide order dated 25.07.2016 (as Corrected by the Corrigendum Dated 20.10.2016) and Uttar Pradesh Government's policy for revival of sick unit industries in the State, the Government vide UP Govt order No 1571/77-1-2016-10 (BIFR)/ 2009TC dated 29.12.2016 has granted/ extended the following relief and concessions to the company in respect of the payment of the dues deferred in the past -
- Interest Free loan given by PICUP in lieu of deferred trade tax is now payable in 10 annual installments after a moratorium period of 2 years i.e. wef 29.12.2018. The interest charged by PICUP has been waived and no interest would be charged for extended or future period.
 - Trade Tax/VAT/CST deferred by the Commercial Tax Department is to paid in 10 annual installments after a moratorium period of 2 years i.e. wef 29.12.2018. Interest, if any charged by the Commercial Tax Department has been waived and no interest would be charged for future period.
 - The Principal amount of power dues amounting to Rs 641.14 lacs is to paid to Paschimanchal Vidyut Vitran Nigam Ltd in 10 annual installments after a moratorium period of 2 years i.e. wef 29.12.2018. Interest/surcharge levied by PVVNL has been waived and no interest/surcharge would be charged for future period. This has been approved by the Uttar Pradesh Electricity Regulatory Commission in pursuance to the petition filed by the Power Department, Government of UP.
 - The minimum demand charges levied by Paschimanchal Vidyut Vitran Nigam Ltd during the priod of disconnection has been waived. This has been approved by the Uttar Pradesh Electricity Regulatory Commission in pursuance to the petition filed by the Power Department, Government of UP.
- c) The company has deposited a sum of Rs 346.92 lacs with PICUP as security deposit as per the rehabilitation scheme sanctioned by Government of UP on 29.12.2016 in terms of their One Time Policy for the revival of sick units. This amount would be refunded to the company after the completion of the rehabilitation period if the company does not violate any terms and conditions of the rehabilitation scheme. Otherwise this amount would be forfeited. The company has complied with the terms and conditions of the scheme as on the date of signing the balance sheet.
27. In the opinion of the Board, value on realisation of assets other than fixed assets & non-current investments in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. Balances of some of the debtors and creditors, on the Balance Sheet date are subject to reconciliation and confirmation from some of the parties. However the variation is not expected to substantially vary the results of the company for the year.

28 Disclosure for Employees Benefits:

The company has a defined benefit gratuity plan as employees long term benefits. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit Entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

| | | Leave Encashment | | Gratuity | |
|---|---|------------------|----------|----------|---------|
| | | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| i) | Change in benefit obligation | | | | |
| a) | Present value of obligation as at the beginning of the period | 128,559 | -- | 89,097 | 22910 |
| b) | Acquisition adjustment | -- | -- | -- | -- |
| c) | Interest cost | 9,899 | -- | 6,860 | 1675 |
| d) | Past service cost | - | 55698 | -- | -- |
| e) | Current service cost | 34,991 | 103601 | 30,806 | 68479 |
| f) | Curtailement cost/(Credit) | -- | -- | -- | -- |
| g) | Settlement cost/(Credit) | -- | -- | -- | -- |
| h) | Benefits paid | (193,453) | (30740) | -- | -- |
| i) | Actuarial (gain)/loss on obligation | 85,723 | -- | (66,913) | (3967) |
| j) | Present value of obligation as at the end of period | 65,719 | 128559 | 59,850 | 89097 |
| ii) Fair value of plan assets : | | | | | |
| a) | Fair value of plan assets at the beginning of the period | -- | -- | -- | -- |
| b) | Acquisition adjustment | -- | -- | -- | -- |
| c) | Actual return on plan assets | -- | -- | -- | -- |
| d) | Employer contributions | -- | -- | -- | -- |
| e) | Benefits paid | -- | -- | -- | -- |
| f) | Fair value of plan assets at the end of the period | -- | -- | -- | -- |
| g) | Funded status | - | (128559) | (59,850) | (89097) |
| h) | Excess of actual over estimated return on plan assets | (65,719) | -- | -- | -- |
| iii) Fair value of plan assets : | | | | | |
| a) | Expected return on plan assets | -- | -- | -- | -- |
| b) | Actual return on plan assets | -- | -- | -- | -- |
| c) | Actuarial gain/(loss) on plan assets | -- | -- | -- | -- |
| iv) Actuarial gain / loss recognized | | | | | |
| a) | Actuarial gain / (loss) for the period- obligation | -- | -- | 66,913 | 3967 |
| b) | Actuarial (gain) / loss for the period - plan assets | -- | -- | -- | -- |
| c) | Total (gain) / loss for the period | -- | -- | (66,913) | (3967) |
| d) | Actuarial (gain) / loss recognized in the period | -- | -- | (66,913) | (3967) |
| e) | Unrecognized actuarial (gains) / losses at the end of period | -- | -- | -- | -- |

| | | | | | |
|--------------|--|-----------|----------|----------|----------|
| v) | The amounts to be recognized in balance sheet and related analysis | | | | |
| a) | Present value of obligation as at the end of the period | 65,719 | 128559 | 59,850 | 89097 |
| b) | Fair value of plan assets as at the end of the period | -- | -- | -- | -- |
| c) | Funded status / Difference | (65,719) | (128559) | | 0 |
| d) | Excess of actual over estimated | -- | -- | (59,850) | (89097) |
| e) | Unrecognized actuarial (gains) / losses | -- | -- | -- | -- |
| f) | Net asset / (liability) recognized in balance sheet | 65,719 | 128,559 | (59,850) | (89,097) |
| vi) | Expense recognized in the statement of profit and loss | | | | |
| a) | Current service cost | 34,991 | 103601 | 30,806 | 68479 |
| b) | Past service cost | 9,899 | 55698 | - | -- |
| c) | Interest cost | -- | -- | 6,860 | 1675 |
| d) | Expected return on plan assets | -- | -- | -- | -- |
| e) | Curtailement cost / (Credit) | -- | -- | -- | -- |
| f) | Settlement cost / (credit) | -- | -- | -- | -- |
| g) | Net actuarial (gain) / loss recognized in the period | 85,723 | -- | (66,913) | (3967) |
| h) | Expenses recognized in the statement of profit & losses | 130,613 | 159299 | (29,247) | 66187 |
| vii) | Reconciliation statement of expense in the statement of profit and loss | | | | |
| a) | Present value of obligation as at the end of period | 65,719 | 128559 | 59,850 | 89097 |
| b) | Present value of obligation as at the beginning of the period | 128,559 | -- | 89,097 | 22910 |
| c) | Benefits paid | 193,453 | 30740 | -- | -- |
| d) | Actual return on plan assets | -- | -- | -- | -- |
| e) | Acquisition adjustment | -- | -- | -- | -- |
| f) | Expenses recognized in the statement of profit & losses | 130,613 | 159299 | (29,247) | 66187 |
| viii) | Amounts for the current period | | | | |
| a) | Present value of obligation as at the end of period | 65,719 | 128559 | 59,850 | 89097 |
| b) | Fair value of plan assets at the end of the period | -- | -- | -- | -- |
| c) | Surplus / (Deficit) | (65,719) | (128559) | (59,850) | (89097) |
| d) | Experience adjustment on plan Liabilities (loss) / gain | (85,093) | -- | 67,397 | 1722 |
| e) | Experience adjustment on plan Assets (loss) / gain | -- | -- | -- | -- |
| ix) | Movement in the liability recognized in the balance sheet | | | | |
| a) | Opening liability | 128,559 | -- | 89,097 | 22910 |
| b) | Expenses as above | 130,613 | 159299 | (29,247) | 66187 |
| c) | Benefits paid | (193,453) | (30740) | -- | -- |
| d) | Actual return on plan assets | -- | -- | -- | -- |
| e) | Acquisition adjustment | -- | -- | -- | -- |
| f) | Closing liability | 65,719 | 128559 | 59,850 | 89097 |

| | | | | | |
|--------------|--|----------------|----------------|----------------|----------------|
| x) | Major categories of plan assets (as percentage of total plan assets) | | | | |
| a) | Government of India Securities | -- | -- | -- | -- |
| b) | State Government securities | -- | -- | -- | -- |
| c) | High Quality Corporate Bonds | -- | -- | -- | -- |
| d) | Equity Shares of listed companies | -- | -- | -- | -- |
| e) | Property | -- | -- | -- | -- |
| f) | Special Deposit Scheme | -- | -- | -- | -- |
| g) | Funds Managed by Insurer | -- | -- | -- | -- |
| h) | Bank Balance | -- | -- | -- | -- |
| | Total | -- | -- | -- | -- |
| xi) | Sensitivity Analysis of the defined benefit obligation. | | | | |
| a) | Impact of the change in discount rate | | | | |
| | Present Value of Obligation at the end of the period | 65,719 | 128559 | 59,850 | 89097 |
| a) | Impact due to increase of 0.50% | (2,775) | (4483) | (2,621) | (3059) |
| b) | Impact due to decrease of 0.50 % | 3,011 | 4784 | 2,853 | 3263 |
| b) | Impact of the change in salary increase | | | | |
| | Present Value of Obligation at the end of the period | 65,719 | 128559 | 59,850 | 89097 |
| a) | Impact due to increase of 0.50% | 3,041 | 4840 | 2,884 | 3300 |
| b) | Impact due to decrease of 0.50 % | (2,827) | (4571) | (2,672) | (3121) |
| xii) | Actuarial Assumptions: | | | | |
| | Particulars | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| | Mortality table (LIC) | (2006-08) | (2006-08) | (2006-08) | (2006-08) |
| | Discount rate | 7.70% | 7.70% | 7.70% | 7.70% |
| | Expected rate of return on plan assets | N.A. | N.A. | N.A. | N.A. |
| | Rate of escalation in salary per annum | 6.00% | 6.00% | 6.00% | 6.00% |
| | Employee turnover up to 30 years | 3.00% | 3.00% | 3.00% | 3.00% |
| | Above 30 years but up to 44 years | 2.00% | 2.00% | 2.00% | 2.00% |
| | Above 44 years | 1.00% | 1.00% | 1.00% | 1.00% |
| | The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply. | | | | |
| Xiii) | Contribution to Defined Contribution Plan recognized as expense for the year is as under: | | | | |
| | Particulars | | | 2018-19 | 2017-18 |
| | Employer contribution to Provident & Family Pension Fund | | | 293,029 | 443359 |

29 Financial instruments and risk management

Capital Management

The Company manages its capital to ensure that Company will be able to continue as going concern. The Capital structure of the Company consists of net debt (borrowings as detailed in notes and offset by cash and bank balances) and total equity of the Company. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Debt is classified as long-term and short-term borrowings as described in note 22 and 25.

| Categories of financial instruments | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| Financial and other financial assets | | |
| Measured at amortised cost | | |
| Cash and bank balances | 541841 | 1844261 |
| Trade Receivables | 0 | 6957786 |
| Other financial assets - non current | 13020921 | 12506696 |
| Other non current assets | 94892621 | 40294335 |
| Other Current assets | 21743811 | 11518600 |
| Total | 130199195 | 73121678 |
| Financial liabilities | | |
| Measured at amortised cost | | |
| Borrowings-Non Current | 41280000 | 62755000 |
| Borrowings- Current | 584724722 | 312369507 |
| Trade payables | 31854890 | 33330122 |
| Total | 657859612 | 408454629 |

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values :-

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other financial liabilities and other financial instruments approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial risk management objectives and Policies

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company does not have foreign trade transactions nor any foreign currency transactions

The Board of Directors manages the financial risk of the company through internal risk reports which analyse exposure by magnitude of risk

Financial Risk Factors

The Company's exposure to credit risk is influenced mainly by the individual characteristics and credit worthiness of each customer.

Market Risk Factor

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables or payables.

Liquidity Risk Factor

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price.

Foreign currency risk management

The company does not have any foreign currency exposure or transactions

Interest rate risk management

The company's borrowings are at fixed rate of interest.

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The company takes due care while extending any credit.

Liquidity risk management

The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Liquidity and interest risk tables- Not Applicable**30. Payment to the auditors as:**

| Particulars | 2018-19 | 2017-18 |
|---|---------------|---------------|
| - Statutory Auditor | | |
| a) Statutory Audit Fees | 50,000 | 50,000 |
| b) For Taxation Matters | 0 | 0 |
| c) Limited Review/Certification | 21,000 | 11,000 |
| Total (Including Tax) | 71,000 | 61,000 |
| - Internal Auditor (including Tax) | 59,000 | 47,200 |

31. Analysis of Material Consumed in Manufacturing Operation:

| Class of goods | Unit | Current Year | | Previous Year | |
|----------------|------|--------------|-------------------|---------------|--------------------|
| | | Qty. | Value (Rs.) | Qty. | Value (Rs.) |
| Oil | MT | 470 | 32,808,791 | 1,851 | 112,749,320 |
| Packing | | | 2,735,306 | | 9,521,046 |
| Chemicals | | | | | |
| TOTAL | | | 35,544,098 | | 122,270,366 |

32. Value of imported and indigenous raw materials, spare parts and components consumed in manufacturing operation and the percentage of each to the total consumption.

| Particulars | Current Year | | | | Previous Year | | | |
|-------------------|-------------------|------------------------|---------------------------|------------------------|--------------------|------------------------|--------------------------|------------------------|
| | Raw Material | | Spare Parts & Components* | | Raw Material | | Spare Parts & Components | |
| | Value | % to total consumption | Value | % to total consumption | Value | % to total consumption | Value | % to total consumption |
| Imported | - | - | - | - | - | - | - | - |
| Indigenous | 35,544,098 | 100.00% | - | 100.00% | 122,270,366 | 100.00% | 6,890 | 100.00% |
| | 35,544,098 | 100.00% | - | 100.00% | 122,270,366 | 100.00% | 6,890 | 100.00% |

33. The value of Imports calculated on C.I.F. basis - Nil**34. Earning & outgo in foreign Currency : Nil****35. The provision for the current Income Tax is not considered necessary for the financial year 2018-19 in view of the brought forward business loss, unabsorbed depreciation allowance, other deductions and benefits under the provisions of Income Tax Act, 1961.**

36. DEFERRED TAX ASSETS

Major components of Deferred Tax Assets (net) arising on account of timing difference are as under

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|------------------------|------------------------|
| | Rs in Lacs | Rs in Lacs |
| Deferred Tax Asset | | |
| Unabsorbed Depreciation & Business Loss as per Income Tax Act | 591.71 | 436.81 |
| Deferred Trade Tax | 822.96 | 931.97 |
| Provision for Expenses & taxes, covered u/s sec 43B | 11.58 | 7.46 |
| Total | 1,426.24 | 1,376.24 |
| Deferred Tax Liability | | |
| WDV of Fixed Assets | 61.08 | 22.64 |
| Total | 61.08 | 22.64 |
| Net Deferred Tax Asset (Net) | 1,365.16 | 1,353.60 |
| Increase/(Decrease) in net Deferred Tax asset | 11.56 | 1353.60 |
| In view of the continuing business losses & accounting policy of the company, the net deferred tax asset for the year has not been recognized, as the same does not appear to be realizable in near future. | | |

37. The Basic and Diluted Earning per Share has been arrived as follows:

(in Rupees)

| Particulars | 2018-19 | 2017-18 |
|---|---------------|---------------|
| Net Profit after tax available for equity shareholders | (25,501,637) | (48,091,294) |
| No. of weighted average equity shares (Basic & Diluted) | 7,930,000 | 7,930,000 |
| Basic Earning Per share (Rs.) | (3.22) | (6.06) |
| Diluted Earning Per share (Rs.) | (3.22) | (6.06) |

38. Related Party Disclosures

The information given below is only in respect of the transactions entered into by the company during the year with the related parties.

A) Names of Related Parties and description of Relationship:

i) Key Managerial Personnel:

Mr Syed Azizur Rahman, Whole Time Director
 Mr Sunil Goel, Whole Time Director
 Late Mr J K Jain, Ex- Whole Time Director
 Ms Kanishka Jain, Company Secretary
 Mr Anil Kumar Gupta, CFO

B Transactions during the year and Balances Outstanding as at the year end in respect of transactions entered into with the Related Parties:

| Particulars | 31.03.2019 | 31.03.2018 |
|--|------------|------------|
| EXPENDITURE | | |
| Remuneration to Mr S A Rahman, Whole Time Director | 1,800,000 | 1,610,000 |
| Remuneration paid to Company Secretary | 278,900 | 240,000 |
| Remuneration paid to CFO | 234,000 | 136,452 |
| Interest on unsecured loan paid to Mr Sunil Goel Whole Time Director | 184,931 | - |
| Balance of unsecured Loans at the end of the year (Late Mr J K Jain, Ex-Whole Time Director) | 5,100,000 | 5,100,000 |
| Balance of unsecured Loan at the end of the year (Mr Sunil Goel, Whole Time Director) | 30,184,931 | - |

39. Segment Reporting:

At present the company operates only in one segment- Vanaspati & Refined Oils. The company is establishing a Distillery and Bottling Plant for IMFL & Country Liquor at Sandila, Dist. Hardoi, Uttar Pradesh, which is under implementation

40. Operating Lease: There is no Operating Lease exists.

41. Forward exchange Contracts entered into by the company and outstanding :

The Company did not have any foreign exchange contracts including derivative contracts for which there were any material foreseeable losses.

42. Previous year's figures have been regrouped/reclassified, wherever considered necessary, to conform to current year's classification.

As per our report of even date attached

For Satendra Rawat & Co
Chartered Accountants
Firm Registration No: 008298C

For & on Behalf of Board of Directors

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.: 074126

Sd/-
Syed Azizur Rahman
(Whole-Time Director)
DIN- 00242790

Sd/-
Yogesh Kumar
(Director)
DIN- 07216171

Place: Delhi
Date: 30.05.2019

Sd/-
Anil Kumar Gupta
Chief Financial Officer

Sd/-
Kanishka Jain
Company Secretary

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

| | |
|---------------------------------------|---------------------------|
| Name and Address of the Member | Folio No. |
| | Client ID No. |
| | DP ID No. |
| | No. of Shares Held |

I hereby record my Presence at the 30th Annual General Meeting of the Company on Tuesday, the 24th Day of September, 2019 at 1:00 P.M. at A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205.

| | |
|-------------------------------------|-------------------------------|
| Signature of the Shareholder | Signature of the Proxy |
| | |

Note:

1. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
2. Please note that no gifts will be distributed at the meeting.

PROXY FORM - FORM MGT-11

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

CIN: L01112UP1989PLC011004

Name of the Company: Shri Gang Industries and Allied Products Limited

Registered office: A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh- 203205

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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

- (1) Name.....Address.....
 Email ID.....Signature.....Or failing him/her
- (2) Name.....Address.....
 Email ID.....Signature.....Or failing him/her
- (2) Name.....Address.....
 Email ID.....Signature.....Or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Tuesday, the 24th Day of September, 2019 at 1:00 P.M. at A-26, UPSIDC Industrial Area, Sikandrabad, Bulandshahar, Uttar Pradesh-203205 in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019, together with the reports of Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Syed Azizur Rahman (DIN: 00242790), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment

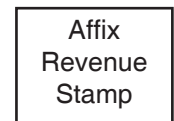
SPECIAL BUSINESS:

3. To consider and approve the appointment of Mrs. Anita Gupta (DIN: 00243804) as Non-Executive Director of the Company.
4. To consider and approve the appointment of Mr. Sunil Goel as Whole Time Director of the Company.
5. To consider and approve the re-appointment of Mr. Syed Azizur Rahman as Whole Time Director of the company.
6. To consider and approve to increase the borrowing limits upto Rs. 250 Crore by the Company pursuant to Section 180 (1) (c) of the Companies Act, 2013.
7. To consider and approve the limits of Rs. 25 Crores for Inter-Corporate Loan/Investment/Guarantee or providing any Security by the Company pursuant to Section 186 of Companies Act, 2013.
8. To consider and approve to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company in favour of NBFCs/ Banks/ Central or State Government Departments/ Central or State Government undertakings/ State and other Financial Institutions, together with interest, cost, charges and expenses thereon upto an amount of Rs. 150 Crores.

Signed this _____ day of September, ____ 2019.

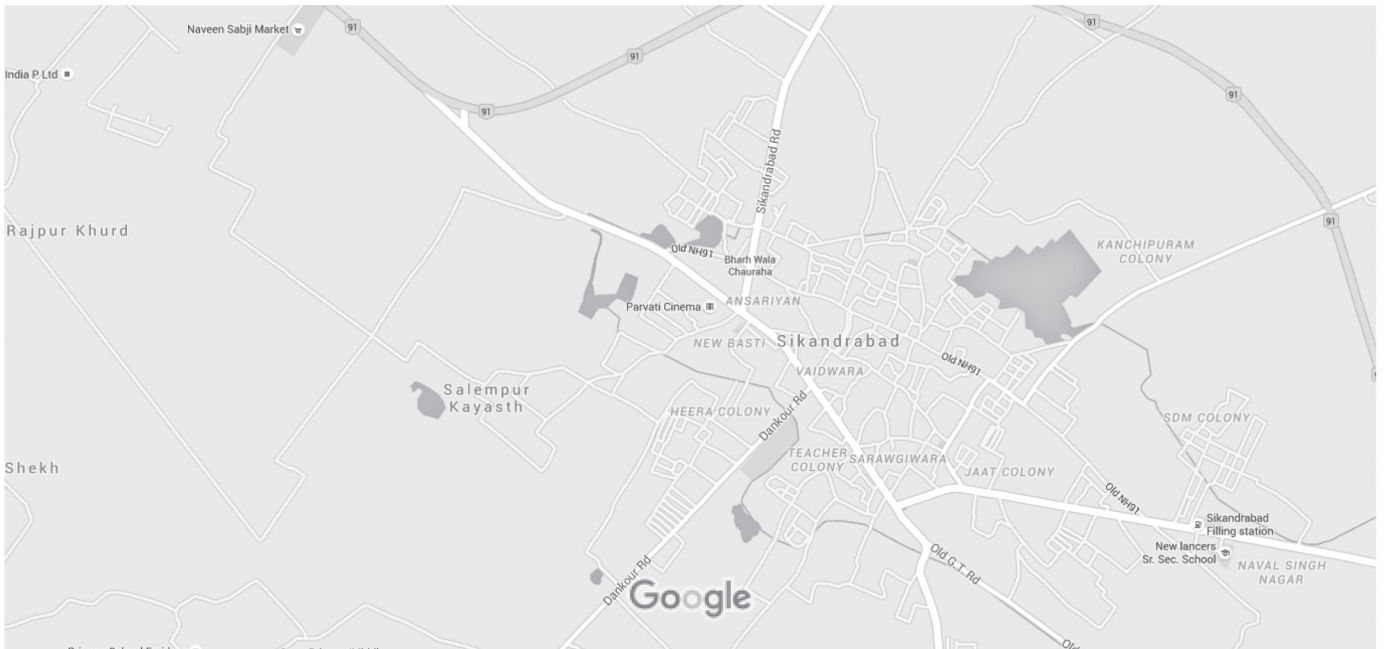
Signature of the Shareholder

Signature of Proxy holder(s)



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

Route Map



BOOK POST

If Undelivered, please return to:

Shri Gang Industries And Allied Products Limited

A-26, UPSIDC Industrial Area, Sikandrabad,
Distt. Bulandshahar, Uttar Pradesh-203205