SALASAR

Date: 05th June, 2018

To

The National Stock Exchange of India **Exchange Plaza, C-1 Bandra Krla Complex,** **Bandra (E), Mumbai- 400051,** **NSE Symbol: SALASAR**	**The BSE Limited** **Phiroze Jeejeebhoy Towers,** **Dalal Street, Mumbai- 400001,** **BSE Scrip Code: 540642**

Dear Sirs,

Subject: Notice of the Meeting of the Secured Creditors of Salasar Techno Engineering Limited to be Convened on July 07, 2018 pursuant to the directions of the Hon'Ble National Company Law Tribunal, New Delhi Bench

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the Notice dated May 30, 2018 for convening the Meeting of the Secured Creditors of Salasar Techno Engineering Limited as directed by the Hon'ble National Company Law Tribunal, New Delhi Bench for the purpose of considering, and if thought fit, approving with or without modification(s), the proposed Scheme of Merger and Arrangement between Salasar Stainless Limited ('Transferor Company') and Salasar Techno Engineering Limited ('Transferee Company') .

You are requested to take the same on your record.

Thanking you,

Yours Truly,

For Salasar Techno Engineering Limited

Rahul Rastogi
Company Secretary and
Compliance Officer

SALASAR TECHNO ENGINEERING LTD.

Works : Unit-I : Khasra No. 265, 281- 283, Vill.- Parsaun- Dasna, P.O.- Jindal Nagar, Distt. Hapur- 201313 (U.P.)
Ph. : +91 8938802180 / 7351991000 Fax : +91-11-45823834
Unit-II : Khasra No. 1184, 1185, Vill.- Khera, P.O. Pilkhuwa, Teshil Hapur, Distt. Hapur- 245304 (U.P.) Ph. : +91 8938802184
Office : KL - 46, Kavi Nagar, Ghaziabad-201002 (U.P.) Ph. :+91 120 - 6546670, Fax : 91 - 11 - 45823834
CIN No. U23201DL2001PLC174076 E-mail : towers@salasartechno.com Website : www.salasartechno.com
An ISO 9001:2015, 14001:2015 & 18001:2007 CERTIFIED COMPANY
Regd office : E - 20, South Extension - 1, New Delhi - 110049

Salasar Techno Engineering Ltd
[CIN: U 23201 DL 2001 PLC 174076]
Registered Office: E-20, South Extension Part I, New Delhi-110 049
E-mail: compliance@salasartechno.com

Meeting of Secured Creditorsof Salasar Techno Engineering Ltdscheduled to be held under the supervision of the Hon'ble National Company Law Tribunal

Day	Saturday
Date	7th July, 2018
Time	2.00 P.M.
Venue	'The Pearl Banquets', 21, Shivaji Marg, Main Najafgarh Road, Opposite DLF Commercial Tower, Moti Nagar, New Delhi-110 015

List of Documents

Sl. No.	Contents
1.	**Notice of Meetingof Secured Creditorsof Salasar Techno Engineering Ltd**
2.	**Explanatory Statement** under sections 230 & 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any
3.	**Scheme of Amalgamation** of Salasar Stainless Ltd with Salasar Techno Engineering Ltd, under sections 230 & 232 of the Companies Act, 2013, and other applicable provisions, if any
4.	Copies of the **un-audited Financial Statements (provisional)** of the Transferor Companyand the Transferee Company for the period ended 31st December, 2017
5.	Copies of the **Audited Financial Statements** of the Transferor Company and the Transferee Company for the year ended 31stMarch, 2018, along with the Auditors' Reports thereon
6.	**Proxy Form**
7.	**Attendance Slip**
8.	**Route map** for the venue of the meeting

Sd/-
Ashish Middha, Advocate
Chairperson for the meeting of Secured Creditors
of Salasar Techno Engineering Ltd

Through

Sd/-
Rajeev K Goel, Advocate
For Rajeev Goel & Associates
Counsel for the Applicants
785, Pocket-E, MayurVihar II
Delhi Meerut Expressway, Delhi 110 091
Mobile: 93124 09354
e-mail: **rajeev391@gmail.com**

Date:30th May, 2018
Place: New Delhi

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH AT NEW DELHI

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 72 (ND) OF 2018

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

AND

IN THE MATTER OF

SALASAR STAINLESS LTD

APPLICANT/TRANSFEROR COMPANY

AND

SALASAR TECHNO ENGINEERING LTD

APPLICANT/TRANSFEREE COMPANY

NOTICE CONVENING MEETING

To
The Secured Creditors of
Salasar Techno Engineering Ltd

Take Notice that the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi vide its Order dated 14th May, 2018, inter alia, directed for convening of a meeting of Secured Creditors of Salasar Techno Engineering Ltd (the Transferee Company) for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd. In the said meeting the following Special Business will be transacted.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution with specific majority as provided under sections230 & 232 of the Companies Act, 2013, and other applicable provisions, if any:

*"**Resolved that** pursuant to the provisions of sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, and subject to the approval of the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi and other competent authorities, if any, the proposed Amalgamation of Salasar Stainless Ltd (Transferor Company) with Salasar Techno Engineering Ltd(the Transferee Company)be and is hereby approved.*

***Resolved further that** the salient features/terms and conditions of the amalgamation as set out in the draft Scheme of Amalgamation placed before the meeting, which, inter-alia, include the following:*

i. *All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.*

ii. *All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.*

iii. *Appointed Date for Amalgamation will be 1st April, 2018, or such other date, as the Hon'ble National Company Law Tribunal or any other competent authority may approve.*

iv. *Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation.*

be and are hereby approved in specific.

Resolved further that *subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, the Scheme of Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd, as placed in the meeting, be and is hereby approved.*

Resolved further that *the Board of Directors of the Company be and is hereby authorized to agree to such conditions or modifications (including the Appointed Date) that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal*, New Delhi Bench, New Delhi *or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme of Amalgamation."*

Take Further Notice that in pursuance of the said order, a meeting of the **Secured Creditors of Salasar Techno Engineering Ltd is scheduled to be held on Saturday, 7th July, 2018, at 2.00 P.M. at 'The Pearl Banquets', 21, Shivaji Marg, Main Najafgarh Road, Opposite DLF Commercial Tower, Moti Nagar, New Delhi-110 015,** when you are requested to attend.

Take Further Notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Company as mentioned above not later than 48 hours before the time fixed for the meeting.

The Hon'ble Tribunal has appointed Mr. Ashish Middha, Advocate, as the Chairperson, failing him Ms. Rachna Agarwal, Advocate, as the Alternate Chairperson and Ms. Deepti Grover, Company Secretary in practice, as the Scrutinizer of the aforesaid meeting.

A copy each of the Explanatory Statement [under sections 230 & 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Amalgamation, Form of Proxy, Attendance Slip and other documents, if any, are enclosed.

The proposed Scheme of Amalgamation, if approved in the respective meetings of the Shareholders, Secured Creditors and Un-secured Creditors of Salasar Techno Engineering Ltd, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi.

Dated this 30th day of May, 2018

Sd/-
Ashish Middha, Advocate
Chairperson for the meeting of Secured Creditors
of Salasar Techno Engineering Ltd

Through

Sd/-
Rajeev K Goel, Advocate
For Rajeev Goel& Associates
Counsel for the Applicants
785, Pocket-E, MayurVihar II
Delhi Meerut Expressway, Delhi 110 091
Mobile: 93124 09354
e-mail: **rajeev391@gmail.com**

Notes:

1. Only Secured Creditors of the Company may attend and vote (either in person or by proxy or by authorised representative as per Section 113 of the Companies Act, 2013) at the meeting of Secured Creditors. The authorised representative of a body corporate which is a Secured Creditor of the Applicant Company may attend and vote at the Secured Creditors' meeting, provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting authorising such representative to attend and vote at the meeting.

2. A Secured Creditor of the Company, entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member/creditor of the Applicant Company. The Form of Proxy duly completed and signed should, however, be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for convening the meeting.

3. All the alterations, made in the Proxy Form, must be initialed.

4. All the persons attending the meeting are requested to hand over the enclosed Attendance Slip, duly signed, for admission to the meeting hall.

5. All the persons attending the meeting are advised to bring original photo identity proof for verification.

6. Notice of the meeting, Explanatory Statement, Proxy Form, Attendance Slip and other documents are also being placed on the website of the Company: www.salasartechno.com.

Encl.: As above

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH AT NEW DELHI
(ORIGINAL JURISDICTION)
COMPANY APPLICATION NO. CA (CAA) 72 (ND) OF 2018
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)
SECTIONS 230 & 232
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
AND
IN THE MATTER OF

SALASAR STAINLESS LTD

APPLICANT/TRANSFEROR COMPANY

AND

SALASAR TECHNO ENGINEERING LTD

APPLICANT/TRANSFEREE COMPANY

Explanatory Statement

[Under sections 230 & 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any]

1. **Pursuant** to the Order dated 14th May, 2018,passed by the Hon'ble National Company Law Tribunal, New DelhiBench,New Delhi,in the above referred joint Company Application, separate meetings of Shareholders, Secured Creditors and Un-secured Creditors ofSalasar Techno Engineering Ltd(the Transferee Company)arescheduled to be convened **on Saturday, 7th July, 2018, at 11.00 A.M., 2.00 P.M. and 3.00 P.M., respectively, at 'The Pearl Banquets', 21, Shivaji Marg, Main Najafgarh Road, Opposite DLF Commercial Tower, Moti Nagar, New Delhi-110 015,** for the purpose of considering and, if thought fit, approving, with or without modifications, the proposed Scheme of Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd(hereinafter referred to as "this Scheme/the Scheme").
2. A copy of the Scheme of Amalgamationsetting out the terms and conditions of the proposed amalgamation, inter alia, providing for Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd; and other connected matters, is enclosed with this Explanatory Statement.
3. **Companies to the Scheme and their Background**

3.1 The Applicant No. 1/the Transferor Company-Salasar Stainless Ltd:

a. The Transferor Company-Salasar Stainless Ltd[Corporate Identification No. (CIN): U 27205 DL 2010 PLC 201399; Income Tax Permanent Account No. (PAN): AAO CS 1486 R] (hereinafter referred to as "the Transferor Company/the Company") was incorporated under the provisions of the Companies Act, 1956, as a closely held public limited company vide Certificate of Incorporation dated 9th April, 2010issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company was issued Certificate for Commencement of Business dated 6th May, 2010 by the Registrar of Companies, Delhi & Haryana, New Delhi.

b. Presently, the Registered Office of the Transferor Company is situated at C-211, 2nd Floor, C-Block, Narwana Apartment, I.P. Extension, Patparganj, Delhi-110 092; e-mail id: info@salasarstainless.com.

c. The detailed objects of the Transferor Company are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry on the business of steel tubes, iron and steel founder, mechanical steel melters, steel makers, steel shapers and manufacturers, engineers and fabricators, contractors, tool makers, brass founders, metal workers, manufacturer of steel, metal and malleable gray casting including ferrous, non-ferrous, special and alloy steel, spring steel, forging quality steel manufacturers, processors of all type of forged components and accessories, alloys, nuts, bolts, rounds, nails, all types of hardware items, plate makers, wire drawers, tube manufacturers, galvanizers, japaners, re-rollers, annealors, enamellers and electroplaters and to buy, take on lease or hire, sell, import, export, manufacture, process, repair, convert, let on hire, otherwise deal in such products, raw material, stores, packing material, by products and allied.*
2. *To carry on the business of manufacturers, fabricators, buyers, sellers, processors, founders, converters, importers, exporters, dealers, agents, commission agents, factors, jobbers, consultants, inventors and designers of all kinds of ferrous and non-ferrous metal products including scraps, ingots, billets, castings, forgings, extrusions, rolled products, machined components, stampings, sheet metal parts, pressings, foils and auto components of aluminum, brass, copper, zinc, magnesium, iron, steel and their alloys.*
3. *To carry on the business of manufacturers, assemblers, traders, buyers, sellers, importers, exporters, agents, distributors, suppliers and dealers in all kinds of machinery, equipments, appliances, instruments, tools, parts and accessories, engineering goods, industrial inputs and metal products, sheet metal products and components.*
4. *To manufacture, make, trade, to act finishers, to do machine work of all kinds of steels, metals, alloys, alloy casting, ferrous and non-ferrous metal, to do steel fabrication work, to do the job of iron master, steel and metal converters.*
5. *To carry on the business of buyers, sellers, importers, exporters, fabrications, distributors, agents, brokers, factors, stockists, commission agents and dealers of all kinds of household products, consumer products and commodities, merchandise and articles of any kind, nature and description.*

d. The Transferor Company is engaged in manufacturing of stainless steel pipes and tubes and other related activities. Primary focus of the Transferor Company is to provide critical support to its Parent Company-Salasar Techno Engineering Ltd by providing various services on job work basis relating to fabrication of Telecom and Transmission Line Towers, Structures for Solar Power Plants, Utility Poles, other Steel Structures; Galvanizing and other related activities.

e. The present Authorised Share Capital of the Transferor Company is ₹6,50,00,000 divided into 65,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹4,99,90,000 divided into 49,99,000 Equity Shares of ₹10 each.

f. Detail of the present Board of Directors of the Transferor Company is given below:

Sl. No.	Name & Address	DIN	Designation
1.	Mr Gyanendra Kumar Agarwal MohallanKatarmal,Chandpur 246 725, District Bijnore, Uttar Pradesh	01474512	Director
2.	Mrs Kamlesh gupta KL-46, Kavi Nagar, Ghaziabad- 201 001	00895746	Director
3.	Mr Shikhar Gupta KL-46, Kavi Nagar, Ghaziabad- 201 001	03019943	Director

Sl. No.	Name & Address	DIN	Designation
4.	Mr Raghav Agarwal B-166, Sector-50, Noida-201 301, Gautam Budh Nagar	07654495	Director
5.	Mr Vijay Kumar Jain B-53, Sector-30, Noida- 201 303, Gautam Budh Nagar	00281757	Independent Director

3.2 The Applicant No. 2/the Transferee Company-Salasar Techno Engineering Ltd:

a. The Transferee Company-Salasar Techno Engineering Ltd[Corporate Identification No. (CIN): U 23201 DL 2001 PLC 174076; Income Tax Permanent Account No. (PAN): AAI CS 6856 K] (hereinafter referred to as "the Transferee Company/the Company") was originally incorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Salasar Petrochemicals Pvt Ltd' vide Certificate of Incorporation dated 24th October, 2001, issued by the Registrar of Companies, Rajasthan, Jaipur.Name of the Company was changed to 'Salasar Techno Engineering Pvt Ltd' vide Fresh Certificate of Incorporation dated 13th June, 2006, issued by the Registrar of Companies, Rajasthan, Jaipur. The Registered Office of the Company was shifted from the State of Rajasthan to the NCT of Delhi as approved by the Hon'ble Company Law Board, Northern Region Bench, New Delhi, vide Order dated 19th October, 2007.The Registrar of Companies, Delhi and Haryana, New Delhi, registered the aforesaid order on 15th February, 2008, and allotted a new CIN to the Company.The Company was converted into a public limited company and name of the Company was changed to 'Salasar Techno Engineering Ltd' vide Fresh Certificate of Incorporation dated 16th August, 2016, issued by the Registrar of Companies, Delhi and Haryana, New Delhi.

b. Presently, the Registered Office of the Transferee Company is situated at E-20, South Extension Part I, New Delhi-110 049; e-mail id:compliance@salasartechno.com.

c. The detailed objects of the Transferee Company are set out in the Memorandum of Association and are briefly stated as below:

Main Objects:

1. *To carry all the business consultants, engineers, designers, fabricators, converters, molders, Smelters of mechanical, electrical, electronic and other type of components & tools, control panels, assemblies, sub-assemblies and machines parts and all kinds tools.*
2. *To manufacture, trade, import, export, trading and fabrication of iron and steel metal and malleable, ferrous and non-ferrous metals, special and alloy steel, spring steel, and of all types of forged components and accessories, alloys, rods, angles, sheets, girders, pipes, channels, nut bolts machineries, accessories, steel rounds, nails, tools, all types of hardware items and it allied products, and to buy take on hire sell, import, export, otherwise deal in such products, by products, machineries, rolling stock, implements, tools, utensiles, ground tools, materials and conveniences of all kinds.*
3. *To carry on the business of electrical engineers, mechanical engineers, civil enginner electrical engineers, contractors, manufacturers, suppliers and dealers in electrical, mechanical and other appliances and works including electrical motors/pumps, electrical sub-stations, power distribution transformers component of engineering items, switchgears, spares control panels & parts thereof.*
4. *To carry on business as iron and steel founders, steel makers, steel shapers and manufacturers and fabricators, contractors, tool makes, brass founders, metal workers, manufacturers of steel, metal and melleable, grey-casting including ferrous, non ferrous, special and alloy steel, spring steel, forging quality steel manufacturers processors of all types of forged components and accessories and to buy, take on lease on hire, sell, import, export, manufacture, process, repair, convert, let on hire, otherwise deal in such products.*

d. The Transferee Company is engaged in manufacturing and fabrication of Telecom Towers, Transmission Line Towers, structures for Solar Power Plants, Utility Poles, Specially Designed Utility Poles for Smart Cities, Mono Poles, complete EPC services for Transmission Lines and Railway Electrification, galvanised and non-galvanised steel structures and other related activities.

e. The present Authorised Share Capital of the Transferee Company is ₹14,00,00,000 divided into 1,40,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹13,28,52,640 divided into 1,32,85,264 Equity Shares of ₹10 each.

f. Detail of the present Board of Directors of the Company is given below:

Sl. No.	Name & Address	DIN/PAN	Designation
1.	Mr. Alok Kumar KL-46, Kavi Nagar, Ghaziabad-201001	01474484	Managing Director
2.	Mr. Shashank Agarwal B-166, Sector-50, Noida- 201301, Gautam Budh Nagar	00316141	Managing Director
3.	Mr. Shalabh Agarwal R-1/11, Raj Nagar, Ghaziabad- 201001	00316155	Whole Time Director
4.	Ms. Tripti Gupta KL-46, Kavi Nagar, Ghaziabad-201001	06938805	Whole Time Director
5	Mr. Anil Kumar Jain 410, ParshvaVihar, Plot No. 50, Patparganj, Delhi- 110092	00204935	Independent Director
6.	Mr. Sanjay Chandak H. No. 1076, Sector-17, Faridabad- 121007	07663328	Independent Director
7.	Mr. Vijay Kumar Jain B-53, Sector-30, Noida 201 303, Gautam Budh Nagar	00281757	Independent Director
8.	Mr. Amit Jain B-503,Alaknanda Apartment, GH-45, Sector-56, Gurga-on-122002	06783422	Independent Director

4. The Transferor Company is a 100% subsidiary of the Transferee Company. Whereas the Transferee Company is a public listed company.Both the Transferor and Transferee Companies are under common management and control. The present Scheme of Amalgamation will not result in change in management of the Transferee Company.

5. Mr Gyanendra Kumar Agarwal, Mr Alok Kumar, MrShalabh Agarwal and MsTripti Gupta are the Core Promoters of the Transferee Company. As mentioned above, the Transferor Company is a wholly owned subsidiary of the Transferee Company. Detail of the Core Promoters of the Transferee Companyis given below:

Sl. No.	Name, Address& DIN
1.	Mr Gyanendra Kumar Agarwal MohallanKatarmal, Chandpur 246 725, District Bijnore, Uttar Pradesh DIN: 01474512
2.	Mr. Alok Kumar KL-46, Kavi Nagar, Ghaziabad-201 001 DIN: 01474484
3.	Mr. Shalabh Agarwal R-1/11, Raj Nagar, Ghaziabad-201 001 DIN: 00316155
4.	Ms. Tripti Gupta KL-46, Kavi Nagar, Ghaziabad-201 001 DIN: 06938805

6. The proposed Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd,will be affected by the arrangement embodied in the Scheme of Amalgamation framed under sections 230&232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.

7. Rationale and Benefits of the Scheme:

The circumstances which justify and/or necessitate the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company;and benefits of the proposed amalgamation as perceived by the Board of Directors of these Companies, to the Shareholders and other stakeholdersare, inter alia, as follows:

a. The Transferor Company is a Wholly Owned Subsidiary of the Transferee Company. Both the Transferor and Transferee Companies are engaged in similar business activities. The proposed Scheme of Amalgamation would result in business synergy, pooling of resources and consolidation of these Companies.

b. The Transferor Company was initially engaged in manufacturing of stainless steel pipes and tubes and other related activities. However, at present the primary focus of the Company is to provide critical support to its Parent Company-Salasar Techno Engineering Ltd by providing various services on job work basis relating to fabrication of Telecom and Transmission Line Towers, Structures for Solar Power Plants, Utility Poles, other Steel Structures; Galvanising and other related activities. Since most of the capacity and the infrastructure is being utilised for the Parent Transferee Company, it would be in the larger interest of both these Companies and their stakeholders that the Transferor Company is merged into the Parent Transferee Company.

c. The proposed amalgamation would enable pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity.

d. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency. It will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of their businesses.

e. The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these Companies. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business. The resulting amalgamated company will be able to participate more vigorously and profitably in the competitive market scenario.

f. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies

g. The said Scheme of Amalgamation will have beneficial impact on all the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

8. Salient features of the Scheme of Amalgamation

8.1 The Scheme of Amalgamation, inter alia, provides as under:

i. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.

ii. All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.

iii. Appointed Date for Amalgamation will be 1st April, 2018, or such other date, as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

iv. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation.

9. Extracts of the Scheme: Extracts of the selected clauses of the Scheme are given below *(points/ clauses referred to in this part are of the Scheme of Amalgamation)*:

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

a. ***"Act"*** *means the Companies Act, 2013 (18 of 2013), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and any other Rules made there under, as the case may be applicable; and the Companies Act, 1956 (1 of 1956), to the extent applicable, if any.*

b. ***"Appointed Date"*** *means commencement of business on 1st April, 2018, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.*

c. ***"Board of Directors"*** *in relation to respective Transferor and Transferee Companies, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee so authorised by the Board, or any person authorised by the Board of Directors or such Committee.*

d. ***"Effective Date"*** *means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.*

e. ***National Company Law Tribunal*** *means appropriate Bench of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, having territorial jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal has been referred to as the Tribunal/NCLT.*

2. TRANSFER OF UNDERTAKING

a. With effect from the commencement of business on 1st April, 2018, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, earnest money, deposits, approval/NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from underground water authority, approval/NOC from national highway authority, approval/NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, authorizations, certification,

quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 232 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.

b. *Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Tribunal or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.*

c. *On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.*

d. *Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self-assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation. Upon the Scheme becoming effective, all the taxes paid (including TDS) by the Transferor Company from the appointed date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.*

e. *Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, requisite form(s) will be filed with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.*

f. *On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise income tax returns, TDS returns and other statutory filings and returns, filed by it or by the Transferor Company, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any.*

g. *All other assets & liabilities of the Transferor Company, which may not be specifically covered in the aforesaid clauses, shall also stand transferred to the Transferee Company with effect from the Appointed Date.*

3. OPERATIVE DATE OF THE SCHEME

a. *This Scheme shall be effective from the last of the dates on which certified copies of order of the Tribunal under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.*

b. *Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.*

The aforesaid are the salient features/selected extracts of the Scheme of Amalgamation. Please read the entire text of the Scheme of Amalgamation to get acquainted with the complete provisions of the Scheme.

10. The proposed Scheme of Amalgamationis for the benefit of both the Companies, their Shareholders and other stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.

11. As mentioned above, since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation. Accordingly, Report on Valuation of Shares and Share Exchange Ratio is not required/ applicable in the present case.

12. The proposed Scheme of Amalgamationhas been unanimously approved by the respective Board of Directors of the Transferor Companyand the Transferee Company in the Board meetings held on 15th February, 2018. None of the Directors voted against or abstained from voting on the resolution for approving the Scheme of Amalgamation in the aforesaid meetings.

    Further, the notices of the separate meetings of Shareholders, Secured Creditors and Un-secured Creditors of the Transferee Company scheduled to be convened under the supervision of the Hon'ble National Company Law Tribunal, the Explanatory Statement and other papers of these meetings have also been approved unanimously, by the respective Board of Directors of the Transferor Company and of the Transferee Company in the Board meetings held on 22nd May, 2018.

13. The present Scheme of Amalgamation, if approved in the respective meetings of the Shareholders, Secured Creditors and Un-secured Creditors of Salasar Techno Engineering Ltd, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, New Delhi Bench, New Delhi.No specific approval is required to be obtained from any other government authority to the present Scheme of Amalgamation.

14. No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Transferor Company or of the Transferee Company.

15. Shareholding of the Directors and Key Managerial Personnel of the Transferor Company, in the Transferor Company and in the Transferee Company either singly or jointly or as nominee, is as under:

Sl. No.	Name of Director/KMP	Designation	No of Equity Shares held	
			Transferor Company	Transferee Company
1.	Mr Gyanendra Kumar Agarwal	Director	Nil	2,93,816
2.	Mrs Kamlesh Gupta	Director	1*	5,00,000
3.	Mr Shikhar Gupta	Director	1*	2,76,000
4.	Mr Raghav Agarwal	Director	Nil	Nil
5.	Mr Vijay Kumar Jain	Independent Director	Nil	Nil

*As nominee of Salasar Techno Engineering Ltd

16. Shareholding of the Directors and Key Managerial Personnel of the Transferee Company, in the Transferee Company and in the Transferor Company either singly or jointly or as nominee, is as under:

Sl. No.	Name of Director/KMP	Designation	No of Equity Shares held	
			Transferee Company	Transferor Company
1.	Mr Alok Kumar	Director	8,94,000	1*
2.	Mr Shashank Agarwal	Director	7,10,592	1*
3.	MrShalabh Agarwal	Director	12,80,592	1*
4.	MsTripti Gupta	Director	4,00,000	Nil
5.	Mr Vijay Kumar Jain	Independent Director	Nil	Nil
6.	Mr Anil Kumar Jain	Independent Director	Nil	Nil
7.	Mr Amit Jain	Independent Director	Nil	Nil
8.	Mr Sanjay Chandak	Independent Director	Nil	Nil
9.	Mr Kamlesh Kumar Sharma	Chief Financial Officer	100	Nil
10.	Mr Rahul Rastogi	Company Secretary	Nil	Nil

*As nominee of Salasar Techno Engineering Ltd

17. Pre-amalgamation capital structure of the Transferee Company is given below:

Particulars	No. of Shares (of ₹10 each)	Amount (₹)
Present issued Equity Share Capital of the Transferee Company	1,32,85,264	13,28,52,640

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation. There will not be any change in post-merger Capital Structure of the Transferee Company.

18. The Pre-Amalgamation Issued, Subscribed and Paid-up Capital of the Transferor Company is ₹4,99,90,000 divided into 49,99,000 Equity Shares of ₹10/- each. On the Scheme become effective, the Transferor Company shall be dissolved without the process of winding up and without any further act by the Parties to the Scheme.

19. Pre-Scheme Equity Shareholding Pattern of the Transferee Company is given below. Since, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation, there will not be any change in post-merger Equity Shareholding Pattern of the Transferee Company.

Sl. No.	Category	Pre- Merger	
		No. of Shares	% of holding
1.	Promoter & Promoter Group	99,56,300	74.9424
2.	Public	33,28,964	25.0576
3.	Shares underlying DRs	Nil	Nil
4.	Shares held by Employee Trusts	Nil	Nil
5.	Non-Promoter Non Public	Nil	Nil
TOTAL		**1,32,85,264**	**100**

20. Pre-Scheme Equity Shareholding Pattern of the Transferor Company is given below:

Sl. No.	Category	Pre- Merger	
		No. of Shares	% of holding
1.	Holding Company- Salasar Techno Engineering Ltd	49,99,000	100
2.	Public	Nil	Nil
3.	Shares underlying DRs	Nil	Nil
4.	Shares held by Employee Trusts	Nil	Nil
5.	Non-Promoter Non Public	Nil	Nil
TOTAL		**49,99,000**	**100**

21. Effect of the Scheme on the Promoters, Directors, Shareholders, etc.:

21.1 As mentioned above, since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to the Scheme of Amalgamation. Promoters and/or Directors of the Transferor Company and of the Transferee Company are deemed to be interested in the proposed Scheme of Amalgamation to the extent of loan given to and remuneration drawn from, as the case may be, the respective Companies. Similarly, Key Managerial Personnel (KMP) of the Transferor Company and of the Transferee Company may also be deemed to be interested in the proposed Scheme to the extent of loan given to and remuneration drawn from, as the case may be, the respective Companies.

21.2 The proposed Scheme of Amalgamation would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Transferor Company and of the Transferee Company different from that of the interest of other shareholders, creditors and employees of these Companies.

21.3 The proposed Scheme of Amalgamation does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of the Transferor Company or the Transferee Company towards their respective creditors. The proposed Scheme of Amalgamation will not adversely affect the rights of any of the creditors of the Transferor Company or of the Transferee Company in any manner whatsoever.

21.4 The proposed Scheme of Amalgamation will not have any adverse effect on the secured creditors, un-secured creditors, employees and other stakeholders, if any, of the Transferor Companies or of the Transferee Company.

22. A copy of the Scheme of Amalgamationis being filed with the concerned Registrar of Companies.

23. Copies of the un-audited Financial Statements (provisional) of the Transferor Company and of the Transferee Company for the period ended 31st December, 2017, are enclosed herewith. Copies of the Audited Financial Statementsof the Transferor Company and the Transferee Company for the year ended 31st March, 2018, along with the Auditors' Reports thereon are enclosed herewith.

24. Total amount due to Un-secured Creditors (including statutory and other dues, etc.), as per the un-audited Financial Statements (provisional) for the period ended 31stDecember, 2017, is given below:

Sl. No.	Total amount due to Un-secured Creditors in	Amount ₹
1.	Transferor Company-Salasar Stainless Ltd	17,24,23,372
2.	Transferee Company-Salasar Techno Engineering Ltd	69,55,63,310

25. The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Transferor Company and of the Transferee Company on any working day from the date of this notice till the date of meeting between 11.00 A.M. to 4.00 P.M.:
    a. The Memorandum and Articles of Association of the Transferor Company and of the Transferee Company.
    b. The Audited Financial Statementsof the Transferor Company and of the Transferee Companyfor the last 3 years ended 31st March, 2016, 31st March, 2017 and 31st March, 2018.
    c. Un-audited Financial Statements (provisional) of the Transferor Company and of the Transferee Company for the period ended 31st December, 2017.
    d. Register of Particulars of Directors and KMP and their Shareholding,of the Transferor Company and of the Transferee Company.
    e. Copy of Order dated 14th May, 2018,passed by the Hon'ble National Company Law Tribunal, New Delhi Bench,New Delhi, in the joint Company Application No. CA (CAA) 72 (ND) of 2018filed by the Transferor Company and of the Transferee Company, in pursuance of which the aforesaid meetings are scheduled to be convened and other meetings have been dispensed with.
    f. Paper Books and proceedings of the joint Company Application No. CA (CAA) 72 (ND) of 2018.
    g. Copy of the Certificate issued by the Statutory Auditors of the Transferor Company and of the Transferee Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
    h. Copy of the proposed Scheme of Amalgamation.
26. A copy of the Scheme of Amalgamation, Explanatory Statement and Form of Proxy, Attendance Slip and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meeting, from the registered office of the Transferor Company and of the Transferee Company or from the office of their Legal Counsel- Mr Rajeev K Goel, Advocate, M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/ NH-24, Delhi-110 091, India, Mobile: 093124 09354, e-mail: rajeev391@gmail.com. The aforesaid documents are also placed on the web-site of the Transferee Company: www.salasartechno.com.
27. Please note that Shareholders, Secured Creditors and Un-secured Creditors of the Transferee Company may attend and vote in the respective meetings either in person or by proxies. Proxies need not be a member/creditor of the concerned Transferee Company. In addition to the above, Shareholders of the Transferee Company may also vote through electronic means. Instructions for voting through electronic means is being sent along with the notice of meeting of the Shareholders.

Dated this 30thMay, 2018

For and on behalf of the Board of Directors
For Salasar Stainless Ltd

Sd/-
Gyanendra Kumar Agarwal
Director
DIN: 01474512

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

Sd/-
Shalabh Agarwal
Whole Time Director
DIN: 00316155

Sd/-
Ashish Middha, Advocate
Chairperson for the meetings of Shareholders, Secured Creditors and Un-secured Creditors of Salasar Techno Engineering Ltd

SCHEME OF AMALGAMATION

OF

SALASAR STAINLESS LTD

WITH

SALASAR TECHNO ENGINEERING LTD

ANDTHEIR RESPECTIVE SHAREHOLDERS AND CREDITORSUNDER SECTIONS 230&232 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS, IF ANY

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

a. **"Act"** means the Companies Act, 2013 (18 of 2013), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and any other Rules made there under, as the case may be applicable; and the Companies Act, 1956 (1 of 1956), to the extent applicable, if any.

b. **"Appointed Date"** means commencement of business on 1st April, 2018,or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.

c. **"Board of Directors"** in relation to respective Transferor and Transferee Companies, as the case may be, shall, unless it is repugnant to the context or otherwise, include a Committee so authorised by the Board, or any person authorised by the Board of Directors or such Committee.

d. **"Effective Date"** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.

e. **National Company Law Tribunal** means appropriate Bench of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, having territorial jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal has been referred to as the Tribunal/NCLT.

f. **"Scheme"** means the present Scheme of Amalgamation framed under the provisions of sections 230 and 232 of the Companies Act, 2013, and other applicable provisions, if any, where under the Transferor Companyis proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by any competent authority and/or by the Hon'ble Tribunal or as may otherwise be deemed fit by the Board of Directors of these Companies.

g. **"Transferor Company"** means **Salasar Stainless Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at C-211, 2nd Floor, C-Block, Narwana Apartment, I.P. Extension, Patparganj, Delhi-110 092; e-mail id: info@salasarstainless.com.

The Transferor Company-Salasar Stainless Ltd[Corporate Identification No. (CIN): U 27205 DL 2010 PLC 201399; Income Tax Permanent Account No. (PAN): AAOC S 1486 R] was incorporated under the provisions of the Companies Act, 1956, as a public limited company vide Certificate of Incorporation dated 9th April, 2010 issued by the Registrar of Companies, Delhi & Haryana, New Delhi. The Company was issued Certificate for Commencement of Business dated 6th May, 2010 by the Registrar of Companies, Delhi & Haryana, New Delhi.

h. **"Transferee Company"** means **Salasar Techno Engineering Ltd**being a company incorporated

under the provisions of the Companies Act, 1956, and having its registered office at E-20, South Extension Part I, New Delhi-110 049; e-mail id: compliance@salasartechno.com.

The Transferee Company-**Salasar Techno Engineering Ltd** [Corporate Identification No. (CIN): U 23201 DL 2001 PLC 174076; Income Tax Permanent Account No. (PAN): AAIC S 6856 K] was originallyincorporated under the provisions of the Companies Act, 1956, as a private limited company with the name and style as 'Salasar Petrochemicals Pvt Ltd' vide Certificate of Incorporation dated 24th October, 2001, issued by the Registrar of Companies, Rajasthan, Jaipur. Name of the Company was changed to 'Salasar Techno Engineering Pvt Ltd' vide Fresh Certificate of Incorporation dated 13th June, 2006, issued by the Registrar of Companies, Rajasthan, Jaipur. Registered Office of the Company was shifted from the State of Rajasthan to the NCT of Delhi as approved by the Hon'ble Company Law Board, Northern Region Bench, New Delhi, vide Order dated 19th October, 2007. The Registrar of Companies, Delhi and Haryana, New Delhi, registered the aforesaid order on 15th February, 2008, and allotted a new CIN to the Company. The Company was converted into a public limited companyand name of the Company was changed to 'Salasar Techno Engineering Ltd' vide Fresh Certificate of Incorporation dated 16th August, 2016.

1.2 SHARE CAPITAL

i. The present Authorised Share Capital of the Transferor Company No. 1is ₹6,50,00,000 divided into 65,00,000 Equity Shares of ₹10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹4,99,90,000 divided into 49,99,000 Equity Shares of ₹10 each.

i. The present Authorised Share Capital of the Transferee Company is ₹14,00,00,000 divided into 1,40,00,000 Equity Shares of ₹10 each.The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹13,28,52,640 divided into 1,32,85,264 Equity Shares of ₹10 each.

iii. The Transferor Company is a wholly owned subsidiary of the Transferee Company. Entire Share Capital of the Transferor Company is held by the Transferee Company and its nominee Shareholders. Whereas Equity Shares of the Transferee Company are listed on BSE Ltd (Bombay Stock Exchange/BSE) and National Stock Exchange of India Ltd (NSE). Both the Companies are under common management and control. The Scheme of Amalgamation will not result in change in management in any of these Companies.

iv. Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, the transfer and vesting of undertaking is covered under Clause 54 of the Notification No. 599/X-501, dated 25th March, 1942 issued by the Uttar Pradesh State Government in terms of Clause (a) of Section 9 of the Indian Stamp Act, 1829.

1.3 Rationale of the Scheme:

That the circumstances which justify and/or necessitate the proposed amalgamation of the Transferor Company with the Transferee Company are, inter alia, as follows:

a. The Transferor Company is a Wholly Owned Subsidiary of the Transferee Company. Both the Transferor and Transferee Companies are engaged in similar business activities. The proposed Scheme of Amalgamation would result in business synergy, pooling of resources and consolidation of these Companies.

b. The Transferor Company was initially engaged in manufacturing of stainless steel pipes and tubes and other related activities. However, at present the primary focus of the Company is to provide critical support to its Parent Company-Salasar Techno Engineering Ltd by providing various services on job work basis relating to fabrication of Telecom and Transmission Line Towers, Structures for Solar Power Plants, Utility Poles, other Steel Structures; Galvanising and other related activities. Since most of the

capacity and the infrastructure is being utilised for the Parent Transferee Company, it would be in the larger interest of both these Companies and their stakeholders that the Transferor Company is merged into the Parent Transferee Company.

c. The proposed amalgamation would enable pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity.

d. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency. It will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of their businesses.

e. The said Scheme of Amalgamation will contribute in fulfilling and furthering the objects of these Companies. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business. The resulting amalgamated company will be able to participate more vigorously and profitably in the competitive market scenario.

f. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.

g. The said Scheme of Amalgamation will have beneficial impact on all the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

2. TRANSFER OF UNDERTAKING

a. With effect from the commencement of business on 1st April, 2018, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, earnest money, deposits, approval/NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from underground water authority, approval/NOC from national highway authority, approval/NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company(hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 232 of the Act, for all the estate, right,

title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.

b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Tribunal or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.

c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.

d. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self-assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation. Upon the Scheme becoming effective, all the taxes paid (including TDS) by the Transferor Company from the appointed date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.

e. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, requisite form(s) will be filed with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.

f. On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise income tax returns, TDS returns and other statutory filings and returns, filed by it or by the Transferor Company, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any.

g. All other assets & liabilities of the Transferor Company, which may not be specifically covered in the aforesaid clauses, shall also stand transferred to the Transferee Company with effect from the Appointed Date.

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.

b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by

the Transferor Company on or after the Appointed Date.

c. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Companyis a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company to be carried out or performed.

4. LEGAL PROCEEDINGS

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Companyor of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

5. OPERATIVE DATE OF THE SCHEME

a. This Scheme shall be effective from the last of the dates on which certified copies of order of the Tribunal under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.

b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

6. DISSOLUTION OF TRANSFEROR COMPANY

On this Scheme, becoming effective as provided in Clause 5 above, the Transferor Company shall stand dissolved without the process of winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

a. All the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.

b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFEREE COMPANIES

From the Appointed Date until the Effective Date, the Transferor Company

a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the

Transferee Company.

b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

9. ISSUE OF SHARES BY TRANSFEREE COMPANY

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no new share will be issued by the Transferee Company pursuant to this Scheme.

10. UPON THIS SCHEME BECOMING FINALLY EFFECTIVE:

a. Entire Issued Share Capital and share certificates of the Transferor Company shall automatically stand cancelled.

b. Cross holding of shares between the Transferor Companyand the Transferee Company on the record date, if any, shall stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor and the Transferee Companies, as the case may be, and sanction by the Tribunal under section 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of sections 66 of the Companies Act, 2013, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. Such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital.

c. In terms of the provisions of section 232(3)(i) of the Companies Act, 2013, the authorised share capital of the Transferor Company shall be added to and shall form part of the authorised share capital of the Transferee Company. Accordingly, the authorised share capital of the Transferee Company shall stand increased to the extent of the aggregate authorised share capital of the Transferor Company as on the effective date, without payment of any fees or charges to the Registrar of Companies and/or to any other government authority. Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association of the Transferee Company shall stand modified to give effect to the aforesaid increase in the authorised capital of the Transferee Company without any further approval.

d. BSE will act as the Designated Stock Exchange for the purposes of this Scheme.

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles in India (Indian GAAP), as the case may be.

In terms of the Accounting Standard (AS) 14, amalgamation of the Transferor Company with the Transferee Company will be accounted in the following manner:

a. The amalgamation shall be an 'amalgamation in the nature of merger' as defined in the Accounting Standard (AS) 14 as prescribed under the Companies (Accounting Standards) Rules, 2006, and shall be accounted for under the 'pooling of interests' method in accordance with the said AS-14.

b. Accordingly, all the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as reflected in the books of the Transferor Company as on the Appointed Date.

c. Cross investments or other inter-company balances, if any, will stand cancelled.

d. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.

e. In accordance with the Accounting Standard 14, any deficit arising out of amalgamation (i4 ncluding on account of cancellation of cross holdings or any other inter-company balances) shall be adjusted against reserves and surplus, if any, in the books of the Transferee Company. Whereas any surplus arising out of Amalgamation (including on account of cancelling of cross holdings or any other inter-company balances) shall be credited to capital reserve.

f. Accounting policies of the Transferor Companywill be harmonized with that of the Transferee Company following the amalgamation.

It is, however, clarified that in case of applicability of the Ind AS as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, amalgamation of the Transferor Company with the Transferee Company will be accounted for in the manner as provided in the applicable Ind AS.

12. APPLICATION TO NATIONAL COMPANY LAW TRIBUNAL

a. The Transferor Company shall make joint/separate applications/ petitions under the provisions of sections 230&232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the Hon'ble National Company Law Tribunalfor sanctioning of this Scheme, dissolution of the Transferor Company without the process of winding up and other connected matters.

b. The Transferee Company shall also make joint/separate application(s)/petition(s) under the provisions of sections 230 & 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016 and other applicable provisions, if any, to the Hon'ble National Company Law Tribunalfor sanctioning of this Scheme and other connected matters.

13. COMPLIANCE WITH SEBI REGULATIONS

a. Since the present Scheme solely provides for amalgamation of the wholly owned subsidiary with its parent company, no formal approval, NOC or vetting is required from the Stock Exchange or SEBI for the Scheme, in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017, and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, and applicable provisions, if any.

b. In terms of the SEBI Regulations, the present Scheme of Amalgamation is only required to be filed with BSE and NSE (the Stock Exchanges where the Transferee Company is listed) for the purpose of disclosure and dissemination on its website.

c. The Transferee Company will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with this Scheme and other connected matters.

14. MODIFICATIONS/AMENDMENTS TO THE SCHEME

a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities

under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.

b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.

c. The Transferor Company and/or the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition, alteration or modification, imposed or suggested by the Tribunal or any other competent authority, is not acceptable to them; or as may otherwise be deemed fit or proper by any of these Companies. The Transferor Company and/or the Transferee Company will not be required to assign the reason for withdrawing from this Scheme.

15. INTERPRETATION

If any doubt or difference or issue arises between the Transferor Company and the Transferee Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, 785, Pocket-E, Mayur Vihar II, NH-24, Delhi 110 091, Phone 93124 09354, e-mail: rajeev391@gmail.comwhose decision shall be final and binding on all concerned.

16. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076
PROVISIONAL BALANCE SHEET AS AT DECEMBER 31, 2017

(₹ in Lakh)

Particular	Note No.	As at 31 December 2017	As at 31 March 2017
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	3,445.97	2,736.43
Financial assets		-	-
(a) Investments	3	1,795.09	1,794.60
(b) Other financial asset	4	415.41	520.82
Current Assets		-	-
Inventories	5	6,237.23	6,108.29
Financial Assets		-	-
(a) Investments	6	141.57	120.55
(b) Trade Receivables	7	13,686.66	7,765.54
(c) Cash and Cash Equivalent	8	39.85	13.75
(d) Bank balances other than (c) above	9	622.29	564.31
(e) Other financial assets	10	76.93	33.56
Current tax assets (Net)	11	192.11	-
Other current assets	12	3,436.10	3,292.28
TOTAL ASSETS		30,089.22	22,950.14
EQUITY AND LIABILITIES		-	-
Equity		-	-
Equity Share Capital	13	1,328.53	995.63
Other Equity	14	12,541.72	8,178.56
Liabilities		-	-
Non-current Liabilities		-	-
Financial Liabilities		-	-
(a) Borrowings	15	142.18	220.86
(b) Other financial liabilities	16	808.44	750.71
Provisions	17	74.46	75.10
Deferred Tax Liabilities (Net)	18	66.85	77.48
Other Non-current Liabilities	19	170.21	231.55
Current Liabilities		-	-
Financial Liabilities		-	-
(a) Borrowings	20	8,694.63	5,156.81
(b) Trade Payables	21	2,677.88	3,272.83
(c) Other financial liabilities	22	22.50	12.27
Provisions	23	15.36	92.51
Other Current Liabilities	24	3,546.47	3,685.40
Current Tax Liability (Net)	25	-	200.44
TOTAL EQUITY AND LIABILITIES		30,089.22	22,950.14

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

PROVISIONAL STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST DECEMBER, 2017

(₹ in Lakh)

Particular	Note No.	Period ended 31 December 2017	Year ended 31 March 2017
REVENUES			
Revenue from operations	26	34,431.05	40,378.67
Other Income	27	40.17	30.82
Total Revenue		**34,471.22**	**40,409.49**
EXPENSES		-	-
Cost of material consumed	28	20,225.84	24,746.34
Purchases of Traded Goods		3,453.61	967.13
Manufacturing and Operating Costs	29	4,027.39	7,765.14
Changes in Inventories of Finished goods,		-	-
Work-in-progress and others	30	(92.17)	(2,553.02)
Excise Duty		779.44	3,082.65
Employee benefits expenses	31	931.19	1,027.89
Finance Costs	32	648.63	578.85
Depreciation and amortization expenses	2	112.94	124.67
Other Expenses	33	2,275.19	2,103.34
Total Expenses		**32,362.07**	**37,842.99**
Profit before Exceptional Items & Taxes		2,109.15	2,566.49
Exceptional Items	34	(7.11)	50.83
		-	-
Profit before Tax		**2,102.05**	**2,617.32**
Tax Expenses	35	-	-
(a) Current Tax		699.22	1,001.00
(b) Deferred Tax		(10.63)	(50.80)
Profit for the period/year		**1,413.46**	**1,667.12**
Other Comprehensive Income (OCI)		**-**	**-**
(A) Items that will not be classified to profit or loss		**-**	**-**
Remeasurements of the defined benefit plans		**-**	(2.08)
Income tax relating to items that will not be classified to profit or loss		**-**	(0.72)
(B) Items that will be classified to profit or loss		**-**	-
Total Comprehensive Income for the period/year		**1,413.46**	**1,665.76**
Earning per Equity share of Rs. 10 each			
(1) Basic		11.55	16.74
(2) Diluted		11.55	16.74

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

Statement of changes in Equity for the period ended December 31, 2017

A. Equity share capital **(₹ in Lakh)**

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

B. Other Equity **(₹ in Lakh)**

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Surplus	Equity Instruments through OCI	Remeasure-ment of de-fined benefit Plan	
Balance as at April 1, 2016	2,882.99	-	4,123.59	-	4.04	7,010.61
Profit for the year	-	-	1,667.12		-	1,667.12
Other Comprehensive Income (net of tax)	-		-		(1.36)	(1.36)
Total Comprehensive Income for the year	**-**	**-**	**1,667.12**	**-**	**(1.36)**	**1,665.76**
Issue of Bonus Shares	(497.82)		-		-	(497.82)
Balance as at March 31, 2017	**2,385.17**	**-**	**5,790.71**	**-**	**2.67**	**8,178.56**
Profit for the period	-		1,413.46		-	1,413.46
Other Comprehensive Income (net of tax)	-		-		-	-
Total Comprehensive Income for the year	-	-	1,413.46	-	-	1,413.46
Issue of Equity Shares (net of transition cost)	3,109.60		-		-	3,109.60
Less : Interim Dividend	-		132.85		-	132.85
LessL Dividend Distribution Tax on Interim Dividend	-		27.05		-	27.05
Balance as at December 31, 2017	**5,494.77**	**-**	**7,044.28**	**-**	**2.67**	**12,541.72**

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Place : New Delhi
Date : 07th Feb 2018

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

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

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

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

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

PROVISIONAL CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Particulars	Period ended 31 December 2017	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	2,102.05	2,617.32
Adjustment for:	-	-
Depreciation & Amortization	112.94	124.67
Ind AS Adjustment	-	(5.81)
Finance Costs	648.63	578.85
Interest and Other Income	(40.17)	(30.03)
Profit/(Loss) on Sale of Investments	7.11	(50.83)
Operating Profit Before Working Capital Changes	**2,830.56**	**3,234.17**
	-	-
Adjustments For Working Capital	-	-
(Increase) /Decrease In Stocks	(128.94)	(1,966.68)
(Increase) / Decrease In Trade receivables	(5,921.12)	(1,916.23)
(Increase) / Decrease In Other Current Assets	(479.81)	(2,089.35)
(Increase) / Decrease In Loans & Advances	105.41	(722.39)
Increase / (Decrease) In Non-Current Liabilities	(3.61)	985.00
Increase / (Decrease) In Long term Provision	(0.64)	30.98
Increase / (Decrease) In Current Liabilities	(1,001.24)	3,663.14
Cash Generated From Operations	**(4,599.40)**	**1,218.64**
Income Taxe Paid	699.22	1,001.00
Net Cash Flow from Operating Activities (A)	**(5,298.62)**	**217.64**
	-	-
Cash Flow From Investing Activities	-	-
Sale of Current Investments	13.91	88.73
Interest Received / Other Income	40.17	30.03
Purchase of Fixed Assets	(822.48)	(419.04)
Purchase of Current Investments	-	-
Advances & Loans	-	(474.09)
Net Cash Used In Investing Activities (B)	**(768.40)**	**(774.37)**
	-	-
Cash Flow From Financing Activities	-	-
Proceeds from issue of Shares	3,442.50	-
Increase/(Decrease) In Borrowings	3,537.82	1,191.92
Increase/(Decrease) In Long Term Borrowings	(78.67)	(101.39)
Interim Dividend	(159.90)	-
Finance Costs	(648.63)	(560.54)
Net Cash Flow From Financing Activities (C)	**6,093.12**	**529.99**
	-	-
Net Changes in Cash & Cash Equivalents (A + B + C)	26.10	(26.74)
Add : Opening Cash & Cash Equivalents	13.75	40.49
Closing Cash & Cash Equivalents	**39.85**	**13.75**

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Notes to the Financial Statements

Note 1 : Significant Accounting Policies

A. General Information

Salasar Techno Engineering Limited, the company was incorporated on 24th October 2001. The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has two manufacturing facilities at Jindal Nagar, Hapur (UP) and Khera Dehat, Hapur (UP).

B. Significant Accounting Policies

(i) Basis of Preparation of Financial Statement

These financial statements have been prepared as per the Going Concern assumption in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 till the standard of accounting or any addendum are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority,the existing accounting standards notified under Companoes Act ,1956 shall continue to apply. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

(iii) Revenue Recognition

Sale of Goods: Sales are recognized when the significant risks and rewards of ownership in the goods are transferred to the customer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of Services: In contracts involving the rendering of services ,revenue is measured using the proportion completion method and are recognised net of service tax.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

(iv) Other Income

Interest income is accounted on accrual basis.

(v) Fixed Assets

Fixed Assets are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalized as part of the cost of machinery.

(vi) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for certain fixed assets where, based on technical evaluation of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Vehicles - 10 years

(vii) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(viii) Employee Benefits

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

Provident Fund:

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

Compensated Absences:

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

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of the year. Gains and losses arising out of actuarial valuations are recognised immediately in the Statement of Profit and Loss as income or expense.

(ix) Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with bank,other short term highly liquid investments with original maturities of three months or less.

(x) Cash Flow Statement

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

(xi) Investments

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

(xii) Inventories

Inventories are valued: Raw Material at Cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases.

(xiii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

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

MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will fructify. Deferred tax expenses or benefit is recognized on timing differences beings the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(xiv) Leases

Lease of assets under which, all the risks and benefits of ownership are effectively retained by the lessor are classified as Operating Lease. Lease rental in respect of assets taken on operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

(xv) Borrowing Cost

As per accounting standard -16, borrowing cost attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xvi) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under Accounting Standard 18 issued by the Institute Chartered Accountants of India.

(xvii) Impairment Assets

At each Balance Sheet Date,the company assesses whether there is any indication that an asset may be impaired.If any sch indications exists,the Company estimates the recoverable amount, If the carrying amount exceeds its recoverable amount,an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceds the recoverable amount.

(xviii) Earnings per Share

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earning per share consist of the net profit for the period and any attributable tax thereon.The weighted average number of shares outstanding during the period and for all periods presented is adjusted for events other than the conversion of potential equity shares outstanding,without a corresponding change in resources.For the purposes of calculating diluted earnings per share,the net profit or loss for the period attriubtable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xix) Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liability: A disclosure of contingent liability is made when there is a present obligation that may require an outflow of resources or where a reliable estimate of such obligation cannot be made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

Note -2 : Property Plant and Equipment

(₹ in Lakh)

	Plant & Equip-ment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Capital Work -in Progress	Land	Total
Gross Carrying Value								
As at April 1, 2016	989.02	166.34	7.99	36.00	98.01	-	1,144.69	2,442.06
Add : Addition	135.26	24.09	0.17	28.29	34.65	-	196.57	419.04
Less : Diposals	-	-	-	-	-	-	-	-
Less : Impairment	-	-	-	-	-	-	-	-
As at March 31, 2017	1,124.28	190.43	8.17	64.29	132.67	-	1,341.26	2,861.10
Add : Addition	383.01	22.09	0.19	19.03	80.66	-	317.50	822.48
Less : Diposals	-	-	-	-	-		-	-
As at Dec 31,2017	**1,507.29**	**212.52**	**8.35**	**83.32**	**213.33**	**-**	**1,658.76**	**3,683.58**
	-	-	-	-	-		-	-
Accumulated Depreciation	-	-	-	-	-		-	-
As at April 1, 2016	-	-	-	-	-	-	-	-
Add : Charge For the year	90.22	6.79	1.03	6.81	19.82	-	-	124.67
Less : Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	90.22	6.79	1.03	6.81	19.82	-	-	124.67
Add : Charge For the year	78.35	5.87	0.78	6.58	21.35	-	-	112.94
Less : Disposals	-	-	-	-	-	-	-	-
As at Dec 31,2017	**168.57**	**12.66**	**1.82**	**13.39**	**41.17**	**-**	**-**	237.61
	-	**-**	**-**	**-**	**-**		**-**	**-**
Net Block	**-**	**-**	**-**	**-**	**-**		**-**	**-**
As at April 1, 2017	1,034.06	183.64	7.13	57.49	112.84	-	1,341.26	2,736.43
	-	**-**	**-**	**-**	**-**		**-**	**-**
As at Dec 31,2017	**1,338.72**	**199.86**	**6.54**	**69.93**	**172.15**	**-**	**1,658.76**	**3,445.97**

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2017 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 3: Investments

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Investment in Equity Instruments		
In Subsidiary		
Salasar Stainless Ltd.		
49,99,000 (Previous year - 49,99,000) Equity shares of Rs. 10 each fully paid up.	1,794.60	1,794.60
Investment in Joint Ventrure	-	-
Sikka-Salasar-JV	0.49	-
Total	**1,795.09**	**1,794.60**

Note 4: Other Financial Assets

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Security Deposits	34.48	27.64
Unsecured, considered good	-	-
Earnest Money Deposit	35.17	45.17
Balances with banks to the extent held as margin money with more than 12 months maturity	345.76	448.00
	-	-
Total	**415.41**	**520.82**

Note 5: Inventories

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Raw Material	706.18	593.87
Work in Progress:	-	-
Goods	3,552.10	3,848.40
Project	472.12	778.75
Traded Goods	522.23	207.39
Finished Goods	949.98	665.17
Scrap	34.61	14.72
	-	-
Total	**6,237.23**	**6,108.29**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 6: Investments

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Quoted :		
Investment in Equity Shares :		
Nil (PY 13516) Equity Shares of KEI of Rs. 10 each fully paid up.	-	15.37
Nil (PY 61500) Equity Shares of Hi-Tech Pipes Ltd. of Rs. 10 each fully paid up.	-	79.43
8,000 (PY 8000) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up. (Market Value Rs. 12,66,800)	12.67	5.75
50,000 (PY Nil) Equity Shares of Rama Steel Tubes Ltd. of Rs. 5 each fully paid up. (Market Value Rs. 1,07,30,000)	107.30	-
Investment in Mutual Funds :	-	-
BOI AXA Capital Protection Oriented Fund Series -2	11.60	10.00
Investment in Bonds:	-	-
Gold Bond	1.45	1.45
Unquoted :	-	-
Gold Coin - Bullion (market Value - 8.75 lacs)	8.56	8.56
	-	-
Total	**141.57**	**120.55**
Aggregate book value of unquoted investments	10.00	10.00
Aggregate amount of quoted investments	**-**	**-**
Cost	109.15	119.08
Market Value	131.57	119.87
Aggregate provision for diminution in value of quoted Investments	(22.42)	(0.79)
Grand Total	**141.57**	**129.88**

Note 7: Trade Receivables

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	227.46	332.11
	-	-
Trade receivables outstanding for a period less than six months from the date they are due for payment	13,459.20	7,433.43
	-	-
Total	**13,686.66**	**7,765.54**

* Retention money, with UP Power Transmission Corporation Ltd which will be receive a) 10% on submission of PBG and; b) 10% on completion of the project, has been shown under other current assets as “Security Deposit” (Refer Note -20)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 8: Cash & Cash Equivalents

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
	₹	₹
Cash in hand	8.00	1.04
Balances with Banks	-	-
Current Accounts	31.85	12.72
	-	-
Total	**39.85**	**13.75**

Note 9: Other Bank Balances

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Balances with banks to the extent held as margin money*	622.29	564.31
	-	-
Total	**622.29**	**564.31**

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 10: Other Financial Assets

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Interest Accrued on FDR	41.06	33.56
Security Deposit with NSE	35.87	-
Total	**76.93**	**33.56**

Note 11: Current Tax Assets (net)

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Advance Tax/TDS net of Provisions	192.11	-
	-	
Total	**192.11**	**-**

Note 12: Other Current Assets

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
	₹	₹
Advances to be recoverable	913.63	1,742.53
Advances to Suppliers	534.73	217.36
Balance with Tax Authorities	198.15	721.67
Prepaid expenses	107.28	186.14
Advances to related parties	1,681.29	417.58
Other Receivables	1.03	6.99
Total	**3,436.10**	**3,292.28**

* Retention money with UP Power Transmission Corporation Ltd which will be receive a) 10% on submission of PBG and; b) 10% on completion of the project .

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 13: Equity Share Capital

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Authorised Capital		
1,40,00,000 (Previous Year 1,40,00,000) Equity Shares of Rs. 10/- each	1,400.00	1,400.00
	1,400.00	**1,400.00**
Issued, Subscribed and Paid up Capital	-	-
1,32,85,264 (Previous Year 99,56,300) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	995.63
	-	-
Total	**1,328.53**	**995.63**

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

Particulars	As at 31st Dec. 2017		As at 31st March 2017	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	9,956,300	995.63	4,978,150	498
Add: Equity Shares Issued during the year	3,328,964	332.90	4,978,150	498
Equity Shares outstanding at the end of the year	13,285,264	1,328.53	9,956,300	996

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

Name of Shareholder	As at 31st Dec. 2017		As at 31st March 2017	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	28.87%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	12.86%
M/s Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	9.89%
Sh. Alok Kumar	894,000	6.73%	894,000	8.98%
Sh. Shashank Agarwal	710,592	5.35%	710,592	7.14%
Smt. Anshu Agarwal	578,000	4.35%	578,000	5.81%
Smt. Kamlesh Gupta	500,000	3.76%	500,000	5.02%

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

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

D Rights, Preferences and restrictions attached to shares

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

E. The Company has issued 33,28,964 Equity Shares in the IPO during the Financial Year 2017-18 .

Note 14: Other Equity

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Securities Premium Account	5,494.77	2,385.17
General Reserves	-	-
Retained Earning*	7,046.95	5,793.39
Total	**12,541.72**	**8,178.56**

For movement during the period/year in Other Equity, refer 'Statement of Changes in Equity'.

*Retained Earning includes Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 15: Borrowings

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Secured		
Vehicle Loan from Banks	86.26	31.99
Less: Current Maturities transferred to other financial liabilities	22.50	12.27
Total (A)	63.76	19.72
Unsecured	-	-
Loans & advances from Related parties	78.42	201.13
Total (B)	78.42	201.13
Total (A+B)	**142.18**	**220.86**

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

Nature of Security	Repayment Terms
Various Vehicle Loans total amount Rs. 86,25,984/- (Previous Year Rs. 31,98,990/-) secured by way of hypothecation of vehicles	Repayable in 36-84 monthly installments commencing from various dates.

Installment falling due in respect of all the above Loans upto 31.03.2019 have been grouped under " Current Maturities of long term debt" (Refer Note No. 22).

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 Dec, 2017	As at 31 March, 2017
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director	-	58.13
Mr. Shalabh Agarwal	Unsecured Loans	Director	25.50	75.00
Mrs. Anshu Agarwal	Unsecured Loans	Relative of KMP	-	15.09
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15
Hill View Infrabuild Ltd	Unsecured Loans	Associate	34.77	34.77
			78.42	**201.13**

Note 16: Other Financial Liabilities

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Security Deposits from Contractor*	808.44	750.71
Total	**808.44**	**750.71**

*Security deposit of Rs. 9,85,00,000/- received from Arrvabss Buildwell and Infracon LLP (Contractor) against installation, erection and commission of transmission line project (Tender No.- PVVNL-MT/DDUGYJY/353/15-16 and PVVNL-MT/DDUGYJY/359/15-16).

Note 17: Provisions

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Provision for Gratuity	68.46	65.66
Provision for Earned Leave Encashment	6.00	9.43
Total	**74.46**	**75.10**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 18: Deferred Tax Liabilities (net)

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
	₹	₹
Opening Balance	77.48	126.87
Add : Deffered Tax Liability on account of Depreciation	21.83	15.41
Add : Deffered Tax Liability on IND AS adjustments	2.20	0.95
Less : Deffered Tax Asset on account of Gratutiy & Leave Encashment	34.66	65.74
	-	-
Total	**66.85**	**77.48**

Note 19: Other Non -current Liabilities

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Deferred Expenses	170.21	231.55
Total	**170.21**	**231.55**

Note 20: Borrowings

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Secured Loans		
Loan repayable on demand from banks	8,694.63	5,156.81
Total	**8,694.63**	**5,156.81**

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

Note 21: Trade Payables

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Payable to Raw Materials Suppliers	2,677.88	3,272.83
	-	-
Total	**2,677.88**	**3,272.83**

Note 22: Other Financial Liabilities

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Current Maturities of Long Term Borrowing	22.50	12.27
	-	-
Total	**22.50**	**12.27**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 23: Provisions

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
	₹	₹
Provision for Excise Duty on Finished Goods	-	75.54
Provision for Gratuity	15.36	15.36
Provision for Earned Leave Encashment	-	1.60
Total	**15.36**	**92.51**

Note 24: Other Current Liabilities

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Other Payables	2,544.15	2,961.21
Advance from Customers	637.81	93.06
Capital Advance	200.00	410.00
Due to Employees	110.02	131.52
Statutory Dues	45.55	77.01
Expenses payable	8.94	12.60
	-	-
Total	**3,546.47**	**3,685.40**

Note 25: Current Tax Liability (net)

Particulars	As at 31 Dec, 2017	As at 31 March, 2017
Provision for Tax (Net of Advance Tax / TDS)	-	200.44
	-	-
Total	**-**	**200.44**

Note 26- Revenue from operations

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Sale of Products		
(i) Finished Goods		
(a) Domestic Sales	25,348.23	33,621.93
(b) Export Sales	1,440.51	679.30
(ii) Traded Goods	5,860.38	1,316.55
Sale of Services	1,698.38	4,573.80
Other Operating Revenues	83.56	187.09
	-	-
Total	**34,431.05**	**40,378.67**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 27 - Other Income

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Interest on FDR	15.38	28.58
Interest on Others	0.62	1.46
Gain on fair valuation of investments	22.42	0.79
Rental Income	1.75	-
Total	**40.17**	**30.82**

Note 28 - Cost of Raw Material Consumed

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Opening Stock	593.87	1,068.94
Add : Purchases	20,338.15	24,271.27
	20,932.02	25,340.21
Less :- Closing Stock	706.18	593.87
Total	**20,225.84**	**24,746.34**

Note 29 - Manufacturing and Operating Costs

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Consumption of Stores and spare parts	562.72	654.44
Power & Fuel	409.85	513.45
Installation Charges & Tower Erection Charges	1,160.43	4,672.26
Job Work Charges	1,437.00	1,353.02
Freight & Cartage	132.94	232.60
Repairs & Replacements	112.95	131.74
Other Manufacturing Expenses	211.51	207.62
Total	**4,027.39**	**7,765.14**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 30 - Changes in Inventories of Finished goods,Work-in-progress and others

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Opening Stock		
Finished Goods	665.17	1,622.73
Traded Goods	207.39	122.11
Work in Progress:	-	-
Goods	3,848.40	1,269.30
Project	778.75	-
Scrap	14.72	58.53
Total (a)	5,514.42	3,072.67
Closing Stock	-	-
Finished Goods	949.98	665.17
Traded Goods	522.23	207.39
Work in Progress:	-	-
Goods	3,552.10	3,848.40
Project	472.12	778.75
Scrap	34.61	14.72
Total (b)	5,531.05	5,514.42
Add / (Less) :- Variation in excise duty on opening and closing stock of finished goods	-	-
Opening Balance	75.54	186.81
Closing Balance	-	75.54
Total (c)	75.54	111.26
	-	-
(Increase) / Decrease in Stock (a-b-c)	**(92.17)**	**(2,553.02)**

Note 31: Employee benefits expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Salary and Wages	845.03	931.56
Contribution to Provident Fund & ESI	69.59	69.12
Staff Welfare	16.58	27.21
	-	-
Total	**931.19**	**1,027.89**

Note 32: Finance Costs

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Bank Interest	436.00	431.34
Bank Charges	128.77	100.29
Interest to Others	83.85	30.03
Interest on Unsecured Loan	-	17.19
Total	**648.63**	**578.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 33 : Other Expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Insurance	28.91	21.75
Legal & Professional Charges	946.64	811.46
Security Expenses	47.01	51.30
Printing & Stationery	10.67	10.82
Conveyance & Travelling Exp	66.79	67.46
Repair & Maintenance others	36.40	48.52
Rent, Rates & Taxes	128.40	305.95
Corporate Social Responcibility Expenses	32.53	20.80
Postage & Telephone	12.78	13.56
Auditors' Remuneration	1.00	2.02
Misc. Expenses	97.25	68.10
Rebate & Discount	125.47	18.65
Freight & Cartage (Outward)	503.77	363.93
Commission	79.16	30.04
Packing Material	122.26	97.06
Advertisement	4.42	-
Bad Debts Written off	31.71	-
Provision for Dimunition in value of investment	-	11.94
Provision for Bad and doubtful Debts	-	159.97
Total	**2,275.19**	**2,103.34**

Note 34 : Exceptional Item :

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Profit on Sale (Loss) of Shares	(7.11)	50.83
	-	-
Total	**(7.11)**	**50.83**

Note 35 : Tax Expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Current Tax		
Current Tax on profits for the year	705.22	999.01
Adjustment for current tax of prior periods	(6.00)	1.99
Total Current Tax Expenses	699.22	1,001.00
Defered Tax	-	-
Decrease/(increase) in deferred tax assets	(34.66)	(67.16)
(Decrease)/increase in deferred tax liabilities	24.03	16.36
Total Deferred Tax Expenses	(10.63)	(50.80)
Total	**688.59**	**950.20**

Note 36 :

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

Note 37 :

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399
PROVISIONAL BALANCE SHEET AS AT DECEMBER 31, 2017

(₹ in Lakh)

Particular	Note No.	As at 31 December 2017	As at 31 March 2017
ASSETS		₹	₹
Non-current Assets			
Property, Plant and Equipment	2	3,411.81	3,421.34
Intengible Assets	3	0.42	0.42
Financial assets		-	-
(a) Other financial asset	4	63.65	62.89
Other non-current assets		-	-
Current Assets		-	-
Inventories	5	834.17	773.22
Financial Assets		-	-
(a) Trade Receivables	6	378.07	205.10
(b) Cash and Cash Equivalent	7	36.88	8.97
(c) Bank balances other than (b) above	8	50.68	50.68
(d) Other financial assets	9	12.49	11.65
Other current assets	10	305.91	431.31
TOTAL ASSETS		**5,094.07**	**4,965.59**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	499.90	499.90
Other Equity	12	2,370.08	1,775.11
Liabilities		-	-
Non-current Liabilities		-	-
Financial Liabilities		-	-
(a) Borrowings	13	363.50	484.09
Provisions	14	17.98	14.98
Deferred Tax Liabilities (Net)	15	254.85	295.90
Current Liabilities		-	-
Financial Liabilities		-	-
(a) Borrowings	16	1,024.24	1,421.22
(b) Trade Payables	17	115.58	137.61
Provisions	18	1.34	8.29
Other Current Liabilities	19	306.37	299.35
Current Tax Liability (Net)	20	140.23	29.14
		-	
Total		**5,094.07**	**4,965.59**

For VAPS & COMPANY
Firm Registration No. 003612N
Chartered Accountants

CA. Vipin Aggarwal
Partner
M. No. 082498
New Delhi, Dated 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399
PROVISIONAL STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST DECEMBER, 2017

(₹ in Lakh)

Particular	Note No.	Period ended 31 December 2017	Year ended 31 March 2017
REVENUES			
Revenue from operations	21	2,741.54	2,526.81
Other Income	22	2.48	5.04
Total Revenue		**2,744.02**	**2,531.86**
EXPENSES		-	-
Cost of material consumed	23	582.57	713.24
Manufacturing and Operating Costs	24	480.18	467.09
Changes in Inventories of Finished goods,		-	-
Work-in-progress and others	25	(67.51)	55.82
Excise Duty		15.19	112.89
Employee benefits expenses	26	569.62	404.75
Finance Costs	27	16.21	166.14
Depreciation and amortization expenses	28	181.44	204.18
Other Expenses	29	194.30	152.97
Total Expenses		**1,972.00**	**2,277.07**
Profit before Exceptional Items & Taxes		772.01	254.78
Exceptional Items	27	-	-
Profit before Tax		**772.01**	**254.78**
Tax Expenses		-	-
(a) Current Tax		217.56	55.63
(b) Earlier Year Income Tax Adjustment		0.53	-
(c) Deferred Tax		(41.06)	50.71
(d) MAT Credit		-	47.36
Profit for the year		**594.97**	**195.80**
Other Comprehensive Income (OCI)			**-**
(A) Items that will not be classified to profit or loss			**-**
Remeasurements of the defined benefit plans			**1.68**
Income tax relating to items that will not be classified to profit or loss			**0.58**
(B) Items that will be classified to profit or loss			**-**
Total Comprehensive Income for the period/year		**594.97**	**196.90**
Earning per Equity share of Rs. 10 each			
(1) Basic		11.90	3.92
(2) Diluted		11.90	3.92

For VAPS & COMPANY
Firm Registration No. 003612N
Chartered Accountants

CA. Vipin Aggarwal
Partner
M. No. 082498
New Delhi, Dated 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED

Statement of changes in Equity for the period ended December 31, 2017

A. Equity share capital **(₹ in Lakh)**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31st March, 2017	499.90	-	499.90
For the period ended 31st December, 2017	499.90	-	499.90

B. Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2016	1,294.70	-	287.50	-	1.22	1,583.42
Profit for the year	-	-	190.59	-	-	190.59
Other Comprehensive Income (net of tax)	-		-	-	1.10	1.10
Total Comprehensive Income for the year	**-**	**-**	**190.59**	**-**	**1.10**	**191.69**
Issue of Bonus Shares	-		-		-	-
Balance as at March 31, 2017	**1,294.70**	**-**	**478.09**	**-**	**2.32**	**1,775.11**
Profit for the period	-		594.97		-	594.97
Other Comprehensive Income (net of tax)	-		-		-	-
Total Comprehensive Income for the year	-	-	594.97	-	-	594.97
Balance as at December 31, 2017	**1,294.70**	**-**	**1,073.07**	**-**	**2.32**	**2,370.08**

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

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

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

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

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399
PROVISIONAL CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Particulars	Period ended 31 December 2017	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	772.01	254.78
Adjustment for:	-	-
Depreciation	181.44	204.18
Ind As Adjustment	-	3.55
Finance Costs	16.21	166.14
Interest and Other Income	(2.48)	(5.04)
Operating Profit Before Working Capital Changes	967.19	623.61
Adjustments For Working Capital	-	-
(Increase) /Decrease In Stocks	(60.95)	(424.36)
(Increase) / Decrease In Trade receivables	(172.97)	203.09
(Increase) / Decrease In Other Current Assets	(0.84)	(31.41)
(Increase) / Decrease In Loans & Advances	124.65	(238.57)
Increase / (Decrease) In long Term provisions	3.00	7.36
Increase / (Decrease) In Current Liabilities	89.13	81.42
Cash Generated From Operations	949.21	221.15
Earlier Year Income Tax Adjustment	0.53	-
Income Taxe Paid	217.56	8.27
Net Cash Flow from Operating Activities (A)	**731.12**	**212.87**
Cash Flow From Investing Activities	-	-
Net Assets transfer from amalgamating company	-	1.57
Interest Received / Other Income	2.48	5.04
Purchase of Fixed Assets	(171.91)	(565.17)
Net Cash Used In Investing Activities (B)	**(169.43)**	**(558.56)**
Cash Flow From Financing Activities	-	-
Proceeds from issue of Shares	-	-
Increase/(Decrease) In Secured Loan	(1,003.64)	263.88
Increase/(Decrease) In Unecured Loan	486.06	246.77
Finance Costs	(16.21)	(166.14)
Net Cash Flow From Financing Activities (C)	**(533.79)**	**344.50**
Net Changes in Cash & Cash Equivalents (A + B + C)	27.90	(1.19)
	-	-
Add : Opening Cash & Cash Equivalents	8.97	10.16
	-	-
Closing Cash & Cash Equivalents	**36.88**	**8.97**

For VAPS & COMPANY
Firm Registration No. 003612N
Chartered Accountants

CA. Vipin Aggarwal
Partner
M. No. 082498
New Delhi, Dated 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

Notes to the Financial Statements

Note 1 : Significant Accounting Policies

A. General Information

Salasar Stainless Limited, the company was incorporated on 09th April 2010. The Company is engaged in manufacturing and sale of Stainless Steel Tubes/Pipes and galvanised & non- galvanised M.S. Steel Structures. The Company has one manufacturing facilities at Khera Dhehat, Hapur (UP) .

B. Significant Accounting Policies

(i) Basis of Preparation of Financial Statement

These financial statements have been prepared as per the Going Concern assumption in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 till the standard of accounting or any addendum are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority,the existing accounting standards notified under Companoes Act ,1956 shall continue to apply. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

(iii) Revenue Recognition

Sale of Goods: Sales are recognized when the significant risks and rewards of ownership in the goods are transferred to the customer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes and excise duties.

Sale of Services: In contracts involving the rendering of services ,revenue is measured using the proportion completion method and are recognised net of service tax.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

(iv) Other Income

Interest income is accounted on accrual basis.

(v) Fixed Assets

Fixed Assets are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalized as part of the cost of machinery.

(vi) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for certain fixed assets where, based on technical evaluation of the useful lives of the assets, higher depreciation has been provided on the straight line method over the following useful lives:

Vehicles -	10 years

(vii) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

(viii) Employee Benefits

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

Provident Fund:

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

Compensated Absences:

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

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of the year. Gains and losses arising out of actuarial valuations are recognised immediately in the Statement of Profit and Loss as income or expense.

(ix) Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with bank,other short term highly liquid investments with original maturities of three months or less.

(x) Cash Flow Statement

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

(xi) Investments

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

(xii) Inventories

Inventories are valued: Raw Material at Cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases.

(xiii) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will fructify. Deferred tax expenses or benefit is recognized on timing differences beings the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(xiv) Leases

Lease of assets under which, all the risks and benefits of ownership are effectively retained by the lessor are classified as Operating Lease. Lease rental in respect of assets taken on operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

(xv) Borrowing Cost

As per accounting standard -16, borrowing cost attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

(xvi) Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under Accounting Standard 18 issued by the Institute Chartered Accountants of India.

(xvii) Impairment Assets

At each Balance Sheet Date,the company assesses whether there is any indication that an asset may be impaired.If any sch indications exists,the Company estimates the recoverable amount, If the carrying amount exceeds its recoverable amount,an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceds the recoverable amount.

(xviii) Earnings per Share

Basic earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.Earnings considered in ascertaining the Company's earning per share consist of the net profit for the period and any attributable tax thereon.The weighted average number of shares outstanding during the period and for all periods presented is adjusted for events other than the conversion of potential equity shares outstanding,without a corresponding change in resources.For the purposes of calculating diluted earnings per share,the net profit or loss for the period attriubtable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xix) Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liability: A disclosure of contingent liability is made when there is a present obligation that may require an outflow of resources or where a reliable estimate of such obligation cannot be made.

or VAPS & COMPANY
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Partner
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For and on behalf of the Board of Directors

Sd/-
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Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2017

(₹ in Lakh)

Note -2 : Property Plant and Equipment

	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Capital Work -in Progress	Land	Total
Gross Carrying Value								
As at April 1, 2016	1,732.43	723.73	3.26	19.88	7.84	11.61	549.88	3,048.63
Add : Addition	518.04	49.22	-	9.51	-	97.78	11.73	686.28
Less : Diposals	-	-	-	-	-	109.38	-	109.38
Less : Impairment	-	-	-	-	-	-	-	-
As at March 31, 2017	2,250.48	772.95	3.26	29.39	7.84	-	561.60	3,625.52
Add : Addition	95.60	12.06	-	3.61	-	-	60.63	171.91
Less : Diposals	-	-	-	-	-	-	-	-
As at Sept 30,2017	**2,346.07**	**785.01**	**3.26**	**33.01**	**7.84**	**-**	**622.23**	**3,797.43**
	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-	-	-	-
As at April 1, 2016	-	-	-	-	-	-	-	-
Add : Charge For the year	172.95	25.84	0.49	2.96	1.94	-	-	204.18
Less : Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	172.95	25.84	0.49	2.96	1.94	-	-	204.18
Add : Charge For the year	156.39	20.67	0.37	2.56	1.46	-	-	181.44
Less : Disposals	-	-	-	-	-	-	-	-
As at Sept 30,2017	**329.34**	**46.51**	**0.85**	**5.53**	**3.40**	**-**	**-**	385.62
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Block	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at April 1, 2017	2,077.53	747.11	2.77	26.43	5.90	-	561.60	3,421.34
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at Sept 30,2017	**2,016.74**	**738.50**	**2.41**	**27.48**	**4.44**	**-**	**622.23**	**3,411.81**

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2017 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

SALASAR STAINLESS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

Note -3 : Intangible Assets

(₹ in Lakh)

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2016	0.42
Add : Addition	-
Less : Deletion	-
As at March 31, 2017	0.42
Add : Addition	-
Less : Deletion	-
As at Dec 31,2017	**0.42**
	-
Accumulated Amortization	-
As at April 1, 2016	-
Add : Amortization expenses	-
Less : Deletion	-
As at March 31, 2017	-
Add : Amortization expenses	-
Less : Deletion	-
As at Dec 31,2017	**-**
	-
Net Block	**-**
As at April 1, 2017	0.42
	-
As at Dec 31,2017	**0.42**

The company has elected to continue with the carrying value of all of itsintangible assets recognised as at April 1, 2017 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 4: Other Financial Assets

Particulars	As at 31 December, 2017	As at 31 March, 2017
Security Deposits	60.70	60.59
Unsecured, considered good	-	-
Earnest Money Deposit	2.95	2.31
	-	-
Total	**63.65**	**62.89**

Note 5: Inventories

Particulars	As at 31 December, 2017	As at 31 March, 2017
Raw Material	640.06	637.17
Finished Goods	36.07	58.70
WIP	147.69	69.46
Scrap	8.85	3.89
Consumables	1.50	4.00
Total	**834.17**	**773.22**

Note 6: Trade Receivables

Particulars	As at 31 December, 2017	As at 31 March, 2017
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	27.25	28.71
	-	-
Trade receivables outstanding for a period less than six months from the date they are due for payment	350.83	176.39
	-	-
Total	**378.07**	**205.10**

Note 7: Cash and Cash Equivalents

Particulars	As at 31 December, 2017	As at 31 March, 2017
Cash in hand	2.45	6.02
Balances with Banks	-	-
Current Accounts	34.42	2.95
Total	**36.88**	**8.97**

Note 8: Other Bank Balances

Particulars	As at 31 December, 2017	As at 31 March, 2017
Balances with banks to the extent held as margin money*	50.68	50.68
	-	-
Total	**50.68**	**50.68**

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 9: Other Financial Assets

Particulars	As at 31 December, 2017	As at 31 March, 2017
Accrued Interest on FDR	12.49	11.65
	-	-
Total	**12.49**	**11.65**

Note 10: Other Current Assets

Particulars	As at 31 December, 2017	As at 31 March, 2017
Advances for Raw Materials	57.94	45.11
Advances for Capital Goods	2.00	56.47
Advances to be Recoverable	32.22	8.07
Balance with Tax Authorities	87.37	147.08
DEPB Receivables	6.44	6.44
Prepaid Expenses	0.46	2.46
Mat Credit Entitlement	119.47	165.67
Total	**305.91**	**431.31**

Note 11: Equity Share Capital

Particulars	As at 31 December, 2017	As at 31 March, 2017
Authorised*		
65,00,000 (Previous Year 65,00,000) Equity Shares of Rs. 10/- each	650.00	650.00
	650.00	**650.00**
Issued, Subscribed and Paid up	-	-
49,99,000 (Previous Year 49,99,000) Equity Shares of Rs. 10/- each fully paid up in cash	499.90	499.90
Total	**499.90**	**499.90**

A. Rights, Preferences and restrictions attached to shares

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

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

Particulars	As at 31st Dec, 2017		As at 31st March 2017	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	4,999,000	499.90	4,999,000	499.90
Add: Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	4,999,000	500	4,999,000	499.90

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

Name of Shareholder	As at 31st Dec, 2017		As at 31st March 2017	
	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Salasar Techno Engineering Limited	4,999,000	100%	4,999,000	100%

Out of the above 49,99,000 Shares (Previous year 49,99,000 shares), held by the holding company, 6 shares are held through company's nominees.

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 12: Other Equity

Particulars	As at 31 December, 2017	As at 31 March, 2017
Securities Premium Account	1,294.70	1,294.70
General Reserves	-	-
Retained Earning*	1,075.38	480.41
Total (A+B)	**2,370.08**	**1,775.11**

For movement during the period/year in Other Equity, refer 'Statement of Changes in Equity'.

*Retained Earning includes Other Comprehensive Income.

Note 13: Borrowings

Particulars	As at 31 December, 2017	As at 31 March, 2017
Secured		
Term Loan from Banks	-	-
Unsecured		
Loans & advances from Related parties	363.50	484.09
Total	**363.50**	**484.09**

A. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 December, 2017	As at 31 March, 2017
Hill View Infrabuild Ltd	Unsecured Loan	Associate	363.50	363.50
Sh. Shashank Agarwal	Unsecured Loan	Relative of KMP		120.59

Note 14: Provisions

Particulars	As at 31 December, 2017	As at 31 March, 2017
Provision for Gratuity	16.80	12.66
Provision for Earned Leave Encashment	1.18	2.32
Total	**17.98**	**14.98**

Note 15: Deferred Tax Liability

Particulars	As at 31 December, 2017	As at 31 March, 2017
Deferred Tax Liability :		
Opening Balance	300.07	246.60
Add: Deferred Tax Liability on account of Depreciation	(39.59)	53.47
Total (a)	260.48	300.07
Deferred Tax Assets :	-	-
Opening Balance	4.17	1.40
Add: Deferred Tax Assets on account of Gratuity and Leave Encashment	1.47	2.76
Total (b)	5.64	4.17
	-	-
Total (a-b)	**254.85**	**295.90**

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 16: Borrowings

Particulars	As at 31 December, 2017	As at 31 March, 2017
Secured		
Loan repayable on demand from banks		1,003.64
Un secured	-	-
Loan & advances from Related Parties - (Holding Co.)	1,024.24	417.58
Total	**1,024.24**	**1,421.22**

Note : 17 Trade Payable

Particulars	As at 31 December, 2017	As at 31 March, 2017
Creditors for Raw Material	115.58	137.61
	-	-
Total	**115.58**	**137.61**

Note : 18 Provisions

Particulars	As at 31 December, 2017	As at 31 March, 2017
Provision for Gratuity	1.02	1.02
Provision for Earned Leave Encashment	0.32	0.32
Provision for Excise Duty on Finished Goods	-	6.95
	-	-
Total	**1.34**	**8.29**

Note 19: Other Current Liabilities

Particulars	As at 31 December, 2017	As at 31 March, 2017
Payables for Capital Goods	5.70	8.16
Other Payables	205.12	139.59
Advance from Customers	9.85	58.08
Due to Employees	61.79	54.96
Statutory Dues	23.66	23.82
Expenses payables	0.25	14.73
Total	**306.37**	**299.35**

Note 20: Current Tax Liability (net)

Particulars	As at 31 December, 2017	As at 31 March, 2017
Provision net of Advance Tax / TDS	140.23	29.14
	-	-
Total	**140.23**	**29.14**

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 21: Revenue from operations (gross)

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Sale of Products :		
(a) Domestic Sales	601.83	777.01
(b) Export Sales	444.58	411.52
Sale of Services	1,694.97	1,330.85
Other Operating Income	0.16	7.43
	-	-
Total	**2,741.54**	**2,526.81**

Note 22: Other Income

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
-	₹	₹
Other Interest	1.55	2.37
Interest on FDR	0.93	2.67
Total	**2.48**	**5.04**

Note 23: Cost of Raw Material Consumed

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Opening Stock	637.17	146.86
Add : Purchases	585.46	1,203.55
	1,222.63	1,350.41
Less :- Closing Stock	640.06	637.17
Total	**582.57**	**713.24**

Note 24: Manufacturing and Operating Costs

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
-	₹	₹
Consumption of Stores and spare parts	216.55	205.84
Power & Fuel	117.33	132.04
Freight & Cartage	11.64	17.96
Job Work Charges	15.71	15.51
Repairs to Machinery	60.36	47.78
Other Manufacturing Expenses	58.59	47.96
Total	**480.18**	**467.09**

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 25: Changes in Inventories of Finished goods WIP and Scrap

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Opening Stock		
Finished Goods	58.70	164.44
WIP	69.46	32.16
Scrap	3.89	2.91
Total (a)	**132.05**	**199.51**
Closing Stock	-	-
Finished Goods	36.07	58.70
WIP	147.69	69.46
Scrap	8.85	3.89
Total (b)	**192.61**	**132.05**
Add / (Less) :- Variation in excise duty on opening and closing stock of finished goods	-	
Opening Balance	6.95	18.59
Closing Balance	-	6.95
Total (c)	(6.95)	(11.64)
	-	-
(Increase) / Decrease in Stock (a+b+c)	**(67.51)**	**55.82**

Note 26: Employee benefits expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Salary and Wages	522.51	371.23
Contribution to Provident Fund & ESI	42.40	27.90
Staff & Labour Welfare	4.71	5.63
	-	-
Total	**569.62**	**404.75**

Note 27: Finance Costs

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Bank Interest	12.32	137.78
Interest on Unsecured Loan	-	23.82
Bank Charges	3.89	4.54
	-	-
Total	**16.21**	**166.14**

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER, 2017

(₹ in Lakh)

Note 28: Depreciation and Amortization Expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Depreciation charges	181.44	204.18
Amortization Expenses	-	-
Total	**181.44**	**204.18**

Note 29 : Other Expenses

Particulars	Period ended 31 Dec, 2017	Year ended 31 March, 2017
Insurance	5.98	3.36
Legal & Professional Charges	100.74	13.54
Travelling and Conveyance Exp	5.21	6.97
Repair & Maintenance others	5.99	7.49
Rent, Rate & Taxes	5.59	2.73
Printing & Stationery	2.36	2.69
Postage & Telephone	2.04	2.82
Misc. Expenses	35.26	16.01
Pcaking Expenses	13.48	25.01
Freight Outward	0.32	3.37
Bad Debts Written off	-	38.53
Clearing & Forwarding Charges(Export)	17.33	30.45
	-	-
Total	**194.30**	**152.97**

Note 30:

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

Note 31 :

Previous figures have been regrouped/reclassified where necessary to correspond with the current classification/ disclosure.

or VAPS & COMPANY
Firm Registration No. 003612N
Chartered Accountants

CA. Vipin Aggarwal
Partner
M. No. 082498
New Delhi, Dated 07th Feb 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SALASAR TECHNO ENGINEERING LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

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

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

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

      iii. There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For ARUN NARESH & COMPANY
Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN
Partner
(Membership No. 084598)

New Delhi, 22 May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Techno Engineering Limited of even date)

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

We have audited the internal financial controls over financial reporting of **SALASAR TECHNO ENGINEERING LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For ARUN NARESH & COMPANY
Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN
Partner
(Membership No. 084598)

New Delhi, 22 May, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

i. In respect of the Company's fixed assets:

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

   (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The Company is engaged in manufacturing in sale of Galvanized steel structure including telecom towers, transmission lines and solar panel. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no materials discrepancies were noticed on physical verification.

iii. According to the information and explanations given to us, the Company has granted unsecured loans to its wholly own subsidiary and Joint Venture, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

   (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

   (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

   (c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the

Companies Act, 2013 for manufacturing of galvanized steel structure including telecom towers, transmission lines and solar panel. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and audit) rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) There were no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which are required to deposit as at March 31, 2018.

viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from government and have not issued any debentures.

ix. The Company has raised moneys during the year amounting to Rs. 35,95,28,112/- by way of initial public offer or further public offer. The Company has not raised any term loans during the Financial Year ended on 31st March, 2018.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For ARUN NARESH & COMPANY
Chartered Accountants
(FRN.: 007127N)

ARUN KUMAR JAIN
Partner
(Membership No. 084598)

New Delhi, 22 May, 2018

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Lakh)

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

Notes referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 22 May 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Sd/-
Kamlesh Kr. Sharma
(Chief Financial Officer)

Sd/-
Rahul Rastogi
(Company Secretary)

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lakh)

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

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 22 May 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Sd/-
Kamlesh Kr. Sharma
(Chief Financial Officer)

Sd/-
Rahul Rastogi
(Company Secretary)

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

Statement of changes in Equity for the year ended March 31, 2018

A. Equity share capital (Note -12) **(₹ in Lakh)**

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

B. Other Equity (Note - 13) **(₹ in Lakh)**

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Surplus	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2016	2,882.99	-	4,119.55	-	4.04	7,006.57
Profit for the year	-	-	1,671.15			1,671.15
Other Comprehensive Income (net of tax)	-				(1.35)	(1.35)
Total Comprehensive Income for the year	**-**	**-**	**1,671.15**	**-**	**(1.35)**	**1,669.80**
Issue of Bonus Shares	(497.82)					(497.82)
Balance as at March 31, 2017	**2,385.17**	**-**	**5,790.71**	**-**	**2.68**	**8,178.56**
Profit for the period			2,260.59		1.74	2,262.33
Other Comprehensive Income (net of tax)						-
Total Comprehensive Income for the year	-	-	2,260.59	-	1.74	2,262.33
Issue of Equity Shares (net of transition cost)	3,103.72					3,103.72
Less : Interim Dividend			132.85			132.85
LessL Dividend Distribution Tax on Interim Dividend			27.05			27.05
Balance as at March 31, 2018	**5,488.89**	**-**	**7,891.40**	**-**	**4.42**	**13,384.71**

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

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

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

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

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

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 22 May 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Sd/-
Kamlesh Kr. Sharma
(Chief Financial Officer)

Sd/-
Rahul Rastogi
(Company Secretary)

SALASAR TECHNO ENGINEERING LIMITED
E- 20, South Extension - I, New Delhi - 110049
CIN : U23201DL2001PLC174076

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

(₹ in Lakh)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	3,400.23	2,623.49
Adjustment for:		
Depreciation & amortization	156.41	124.67
Loss on sale of property, plant and equipment	1.10	-
Finance costs	825.45	578.85
Provision for doubtful debts	11.94	159.97
Adjustment on account of fair valuation of assets	2.67	(2.08)
Rental income	(2.50)	
Interest income	(112.42)	(30.03)
Profit on sale of investments	(25.62)	(50.83)
Operating Profit Before Working Capital Changes	**4,257.25**	**3,404.04**
Adjustments For Working Capital		
Adjustment for (increase) / decrease in operating assets		
Inventories	(1,897.47)	(1,966.68)
Trade receivables	(6,923.23)	(2,076.20)
Other financial assets	835.33	(1,718.14)
Other current assets	(1,592.94)	(694.71)
Adjustment for increase / (decrease) in operating assets		
Trade payables	(165.05)	1,759.14
Other current liabilities	1,104.80	2,166.90
Other financial liabilities	85.93	600.06
Provisions	(40.15)	(81.27)
Other non-current liabilities	(84.20)	231.55
Cash Generated From Operations	**(4,419.75)**	**1,624.69**
Income Taxe Paid	1,170.60	1,001.00
Net Cash Flow from Operating Activities (A)	**(5,590.35)**	**623.69**
Cash Flow From Investing Activities		
Sale of current investments	105.59	99.88
Interest Income	112.42	30.03
Investment in Joint Venture	(0.49)	-
Rental Income	2.50	
Purchase of property, plant and equipment	(1,231.08)	(419.04)
Bank Balance (not consider as cash and cash equivalents)		(278.77)
Proceeds from sale of Property, Plant and Equipment		1.25
Net Cash flow from Other Financial Assets	(66.55)	(474.09)
Net Cash Used In Investing Activities (B)	**(1,355.14)**	**(1,162.10)**
Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares	3,436.62	-
Repayment of Long Term Borrowings	(106.88)	(101.39)
Increase/(Decrease) In Short Term Borrowings	5,198.96	1,191.92
Dividend Paid (including dividend distribution tax)	(159.90)	-
Finance Costs	(825.45)	(578.85)
Net Cash Flow From Financing Activities (C)	**7,543.35**	**511.68**
Net Changes in Cash & Cash Equivalents (A + B + C)	597.86	(26.73)
Add : Opening Cash & Cash Equivalents	13.77	40.49
Closing Cash & Cash Equivalents	**611.62**	**13.77**

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 22 May 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Sd/-
Kamlesh Kr. Sharma
(Chief Financial Officer)

Sd/-
Rahul Rastogi
(Company Secretary)

Notes to the Standalone Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

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

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

(i) Basis of compliance

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

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

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

(ii) Basis of Preparation of Financial Statement

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

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

(iii) Critical accounting estimates, assumptions and judgements

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

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

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

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

(i) Useful life of Property, Plant and Equipment

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

(ii) Income taxes

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

(iii) Contingencies

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

(iv) Allowance for uncollectable accounts receivable and advances

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

(iv) Use of estimates

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

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

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

(v) Fair Value Measurement

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

(vi) Property,Plant & Equipment

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

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

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

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

(vii) Intangible Assets

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

Subsequent Expenditure:

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

Amortization of intangible assets with finite useful lives:

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

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

(viii) Impairment of Non Financial Assets

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

(ix) Inventories

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

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

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

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

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

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

Financial Assets

(a) Initial recognition and measurement:

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

(b) Subsequent measurement

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

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

(c) Classification:

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

(d) Financial assets measured at amortised cost:

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

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

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

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

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

(g) Investment in Equity Instruments:

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

(h) Derecognition of Financial assets:

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

(i) Impairment of Financial assets:

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

Financial Liabilities

(a) Initial recognition and measurement:

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

(b) Classification & Subsequent measurement:

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

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

(c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process.Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) Derecognition of Financial Liabilities:

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

(e) Financial guarantee contract

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

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

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

Offsetting financial instruments:

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

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

(xi) Cash and Cash Equivalents

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

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

(xii) Cash Flow Statement

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

(xiii) Borrowing Costs

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

(xiv) Investments

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

(xv) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

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

(a) General

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

(b) Contingencies

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

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

(xvii) Share capital and Share Premium

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

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

(xviii) Revenue Recognition

(a) Sale of goods

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

(b) Rendering of Services

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

(c) Other Income

- Interest income

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

- Dividends

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

(xix) Taxation

(a) Income tax

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

Current tax

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

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

Deferred tax

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

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

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

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

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

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

(xx) Provisions

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

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

(xxi) Earnings per Share

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

(xxii) Employee Benefits

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

Provident Fund:

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

Compensated Absences:

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

Gratuity:

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

(xxii) Related Party Transactions

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

(xxiii) Dividend

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

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

C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017,

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

Amendment to Ind AS 7:

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

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

Amendment to Ind AS 102:

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

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

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

D. TRANSITION TO IND AS

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

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

(a) Optional exemptions availed

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

(i) Deemed Cost

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

(ii) Investments in subsidiaries, joint venture and associates

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

(iii) Designation of previously recognised financial instruments

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

Note -2 : Property Plant and Equipment

(₹ in Lakh)

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 3: Investments

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Investment in Equity Instruments			
In Subsidiary at cost)			
Unquoted			
Salasar Stainless Ltd.	1,794.60	1,794.60	1,794.60
49,99,000 (Previous years - 49,99,000) Equity shares of Rs. 10 each fully paid up.			
Investment in Joint Ventrure (At Cost)			
Sikka-Salasar-JV	0.49	-	-
Total	**1,795.09**	**1,794.60**	**1,794.60**

Note 4: Other Financial Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Security Deposits	34.17	27.64	26.18
Unsecured, considered good			
Earnest Money Deposit	35.17	45.17	20.55
Balances with banks to the extent held as margin money with more than 12 months maturity	518.02	448.00	-
Total	**587.37**	**520.82**	**46.73**

Note 5: Inventories

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Raw Materials	770.55	593.87	1,068.94
Work in Progress:			
Goods	5,340.59	3,848.40	1,269.30
Project	310.16	778.75	-
Finished Goods	1,531.66	864.06	1,739.04
Scrap	36.05	14.72	58.53
Stores, Spare Parts and Packing Materials	16.75	8.50	5.80
Total	**8,005.76**	**6,108.29**	**4,141.61**

(i) Inventories include goods in transit:

Finished Goods	216.34	-	-
	216.34	-	-

(ii) Details of Raw Materials

Shape & Section	237.57	321.57	620.81
Zinc	308.15	71.52	304.06
Nut & Bolt	224.83	200.78	144.07
	770.55	**593.87**	**1,068.94**

(iii) Details of Finished Goods

Galvanised and Non-galvanised M.S. Steel Structures	1,531.66	864.06	1,739.04
	1,531.66	**864.06**	**1,739.04**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 6: Investments

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

Note 7: Trade Receivables

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Unsecured, considered good	14,676.83	7,765.54	5,849.31
Doubtful	171.91	159.97	-
	14,848.74	**7,925.51**	**5,849.31**
Less : Provision for Doubtful Debts	(171.91)	(159.97)	-
Total	**14,676.83**	**7,765.54**	**5,849.31**

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

(iv) Movement in allowance for doubtful debts

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

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

Note 8: Cash & Cash Equivalents

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Cash on hand	7.76	1.04	14.73
Balances with Banks			
Current Accounts	603.87	12.72	25.76
Total	**611.62**	**13.75**	**40.49**

Note 9: Other Bank Balances

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Balances with banks to the extent held as margin money*	842.64	564.31	165.43
Earmaked balance with bank - unpaid dividend account	0.44	-	-
Total	**843.08**	**564.31**	**165.43**

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 10: Other Financial Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Interest Accrued on FDR	73.71	33.56	49.27
Security deposit	822.50	1,733.85	
Security Deposit with NSE	35.87	-	-
Total	**932.08**	**1,767.41**	**49.27**

* Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project .

Note 11: Other Current Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Advances to suppliers	541.97	217.36	158.11
Balance with tax authorities	249.25	721.67	563.21
Prepaid expenses	129.32	186.14	9.59
Advances to related parties	2,194.95	417.58	98.14
Other receivables	35.89	15.67	34.67
Total	**3,151.37**	**1,558.43**	**863.72**

* Retention money with UP Power Transmission Corporation Ltd which will be receive on completion of the project .

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 12: Equity Share Capital

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Authorised Capital			
1,40,00,000 (1,40,00,000 as at 31 March 2017 , 60,00,000 as at 01 April 2016) Equity Shares of Rs. 10/- each	1,400.00	1,400.00	600.00
	1,400.00	**1,400.00**	**600.00**
Issued, Subscribed and Paid up Capital			
1,32,85,264 (99,56,300 as at 31 March 2017, 49,78,150 as at 01 April 2016) Equity Shares of Rs. 10/- each fully paid up in cash	1,328.53	995.63	497.82
Total	**1,328.53**	**995.63**	**497.82**

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

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	9,956,300	99,563,000	4,978,150	49,781,500	4,978,150	49,781,500
Add: Equity Shares Issued during the year	3,328,964	33,289,640	4,978,150	49,781,500	-	-
Equity Shares outstanding at the end of the year	13,285,264	132,852,640	9,956,300	99,563,000	4,978,150	49,781,500

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

Name of Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of holding	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Hill View Infrabuild Ltd	2,874,300	21.64%	2,874,300	28.87%	1,437,150	28.87%
Sh. Shalabh Agarwal	1,280,592	9.64%	1,280,592	12.86%	180,000	3.62%
M/s Shikhar Febtech (P) Ltd.	985,000	7.41%	985,000	9.89%	492,500	9.89%
Sh. Alok Kumar	894,000	6.73%	894,000	8.98%	547,000	10.99%
Sh. Shashank Agarwal	710,592	5.35%	710,592	7.14%	782,000	15.71%
Smt. Anshu Agarwal	578,000	4.35%	578,000	5.81%	289,000	5.81%
Smt. Kamlesh Gupta	500,000	3.76%	500,000	5.02%	350,000	7.03%

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

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

D. Rights, Preferences and restrictions attached to shares

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 13: Other Equity

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Securities Premium Account	5,488.89	2,385.17	2,883
General Reserves	-	-	
Retained Earning*	7,895.82	5,793.39	4,124
Total	**13,384.71**	**8,178.56**	**7,007**

For movement during the year in Other Equity, refer 'Statement of Changes in Equity'.
*Retained Earning includes Other Comprehensive Income.

Note 14: Borrowings

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Secured			
Term Loan from Bank	-	-	275.00
Vehicle Loan from Banks	80.87	31.99	27.33
Less: Current Maturities transferred to other financial liabilities	19.82	12.27	162.92
Total (A)	61.05	19.72	139.41
Unsecured			
Loans & advances from Related parties	52.92	201.13	182.84
Total (B)	52.92	201.13	182.84
Total (A+B)	**113.97**	**220.86**	**322.25**

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

Nature of Security	Repayment Terms
Term loan amounting to ₹ Nil (As at March 31, 2017 ₹ Nil, As at 1 April, 2016 ₹ 275.00 Lakh).	Secured by first charge on land,building and plant and machiney situated at factory. The term loan which was repayable by January 2018 has been repaid during FY 2016-17.
Various Vehicle Loans total amount Rs. 80.87 Lakh (Previous Year Rs. 31.99 Lakh) secured by way of hypothecation of vehicles	Repayable in 36-84 monthly installments commencing from various dates.
Installment falling due in respect of all the above Loans upto 31.03.2019 have been grouped under " Current Maturities of long term debt" (Refer Note No. 21).	

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Mr. Alok Kumar	Unsecured Loans	Managing Director	-	-	3.40
Mr. Shashank Agarwal	Unsecured Loans	Jt. Managing Director	-	58.13	90.90
Mr. Shalabh Agarwal	Unsecured Loans	Director	-	75.00	20.00
Mrs. Anshu Agarwal	Unsecured Loans	Relative of KMP	-	15.09	15.09
Mrs. Taru Agarwal	Unsecured Loans	Relative of KMP	18.15	18.15	18.15
Hill View Infrabuild Ltd	Unsecured Loans	Associate	34.77	34.77	35.30
			52.92	**201.13**	**182.84**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 15: Other Financial Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Security Deposits from Contractor*	828.65	750.71	-
Total	**828.65**	**750.71**	**-**

*Security deposit of₹ 9.85 received from Arrvabss Buildwell and Infracon LLP (Contractor) against installation, erection and commission of transmission line project (Tender No.- PVVNL-MT/DDUGYJY/353/15-16 and PVVNL-MT/DDUGYJY/359/15-16).

Note 16: Provisions

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Provision for Gratuity	92.63	65.66	44.12
Provision for Earned Leave Encashment	6.80	9.43	-
Total	**99.43**	**75.10**	**44.12**

Note 17: Deferred Tax Liabilities (net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Deferred Tax Liabilities :			
Opening Balance	147.14	130.79	114.36
Increase / (decrease) on account of Property, Plant and equipment	1.16	15.41	16.43
Increase / (decrease) on account of Fair Valuation of Investment	0.92		
Increase / (decrease) on account of IND AS adjustments	4.05	0.95	
Total (a)	153.26	147.14	130.79
Deferred Tax Assets :			
Opening Balance	69.66	3.91	-
Increase / (decrease) on account of Provisions	36.15	65.74	3.91
Total (b)	105.81	69.66	3.91
Total (a-b)	**47.45**	**77.48**	**126.87**

Note 18: Other Non -current Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Deferred Expenses	147.35	231.55	-
Total	**147.35**	**231.55**	**-**

Note 19: Borrowings

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Secured Loans			
Loan repayable on demand from banks	9,463.18	5,156.81	3,964.89
Unsecured Loans			
Loan repayable on demand from banks	705.99	-	-
Loans & advances from Others	186.60		-
Total	**10,355.77**	**5,156.81**	**3,964.89**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 20: Trade Payables

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Payable to Raw Materials Suppliers	3,107.77	3,272.83	1,513.69
Total	**3,107.77**	**3,272.83**	**1,513.69**

Note 21: Other Financial Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Current Maturities of Long Term Borrowing	19.82	12.27	162.92
Unpaid/ unclaimed dividend	0.44	-	-
Total	**20.26**	**12.27**	**162.92**

Note 22: Provisions

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Provision for Excise Duty on Finished Goods	-	75.54	186.81
Provision for Gratuity	27.06	15.36	17.95
Provision for Earned Leave Encashment	0.96	1.60	-
Total	**28.02**	**92.51**	**204.76**

Note 23: Other Current Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Other Payables	3,962.65	2,961.21	1,221.56
Advance from Customers	289.03	93.06	163.83
Capital Advance	175.00	410.00	-
Due to Employees	213.92	131.52	176.15
Statutory Dues	165.39	77.01	62.70
Expenses payable	30.23	12.60	44.61
Total	**4,836.23**	**3,685.40**	**1,668.85**

Note 24: Current Tax Liability (net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Provision for Tax (Net of Advance Tax / TDS)	154.41	200.44	50.10
Total	**154.41**	**200.44**	**50.10**

Note 25- Revenue from operations

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Sale of Products		
Finished Goods		
(a) Within India	41,603.47	33,960.34
(b) Outside India	1,819.86	679.30
Sale of Services	3,916.63	4,573.80
Other Operating Revenues	1,168.29	1,165.22
Total	**48,508.24**	**40,378.67**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Sale of Services Comprises :		
Erection Service	3,871.53	4,201.45
Others	45.10	372.35
	3,916.63	**4,573.80**
Other Operationg Revenue Comprises :		
Sale of Scrap	1,020.66	978.14
Export Incentives	37.16	109.27
Others	110.47	77.82
	1,168.29	**1,165.22**

Note 26 - Other Income

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Interest on Bank Deposits	69.85	28.58
Interest on other financial assets	42.57	1.46
Gain on fair valuation of investments	2.62	0.79
Rental Income	2.50	-
Total	**117.54**	**30.82**

Note 27 - Cost of Raw Material Consumed

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Opening Stock	593.87	1,068.94
Add : Purchases	34,955.29	25,471.00
	35,549.16	26,539.94
Less :- Closing Stock	770.55	593.87
Total	**34,778.61**	**25,946.07**

A. Details of Raw Material Consumed

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Shape and Section	21,429.75	17,347.75
Zinc	7,791.98	6,850.53
Nuts & Bolts	1,271.52	780.66
Other Material	4,285.36	967.13
Total	**34,778.61**	**25,946.07**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 28 - Changes in Inventories of Finished goods,Work-in-progress and others

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Opening Stock		
Finished Goods	864.06	1,739.04
Work in Progress:		
Goods	3,848.40	1,269.30
Project	778.75	-
Scrap	14.72	58.53
Total (a)	5,505.92	3,066.87
Closing Stock		
Finished Goods	1,531.66	864.06
Work in Progress:		
Goods	5,340.59	3,848.40
Project	310.16	778.75
Scrap	36.05	14.72
Total (b)	7,218.46	5,505.92
Add / (Less) :- Variation in excise duty on opening and closing stock of finished goods		
Opening Balance	75.54	186.81
Closing Balance	-	75.54
Total (c)	75.54	111.26
(Increase) / Decrease in Stock (a-b-c)	**(1,788.09)**	**(2,550.32)**

Note 29: Employee benefits expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Salary and Wages	1,385.15	925.39
Contribution to Provident Fund & ESI	93.56	69.12
Staff Welfare	23.42	27.21
Total	**1,502.13**	**1,021.72**

Note 30: Finance Costs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Bank Interest	633.72	431.34
Bank Charges	58.88	100.29
Interest to Others	117.37	30.03
Interest on Unsecured Loan	15.47	17.19
Total	**825.45**	**578.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 31 : Other Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Consumption of Stores and spare parts	802.43	651.74
Power & Fuel	609.46	513.45
Labour Processing, Testing and Machinery Hire Charges	255.78	101.66
Installation and Erection Charges	2,751.09	4,678.55
Job Work Charges	1,855.69	1,353.02
Repairs to Building	36.63	14.18
Repairs to Machinery	140.64	117.56
Insurance	35.19	21.75
Legal & Professional Charges	1,230.34	811.46
Security Expenses	67.10	51.30
Printing & Stationery	15.87	10.82
Conveyance & Travelling Exp	84.67	67.46
Repair & Maintenance others	49.19	48.52
Rent, Rates & Taxes	184.96	353.44
Corporate Social Responcibility Expenses	47.79	20.80
Postage & Telephone	18.31	13.56
Auditors' Remuneration	4.50	2.02
Freight & Forwarding (net)	336.31	363.93
Commission	111.21	30.04
Business Promotion	56.28	27.79
Packing Material	182.67	97.06
Advertisement	7.35	-
Miscellaneous Expenses	100.73	111.15
Loss on sale of Property, Plant and Equipment	1.10	-
Provision for Dimunition in value of investment	-	11.94
Provision for doubtful Debts	11.94	159.97
Total	**8,997.22**	**9,633.18**

(i) Details of payments to auditors:

a. Statutory Audit Fees	2.50	1.50
b. Tax Audit fee	2.00	0.30
c. Other Services	0.50	0.22
	5.00	**2.02**

(ii) Amount required to be spent by the Company during the year on CSR is ₹ 35.94 Lakh (previous year ₹ 23.51 Lakh) whereas the Company has spent ₹ 48.46 Lakh (previous year ₹ 19.23 crore). The Company has spent the following amounts during the year.

1) Health care and family welfare	24.50	5.75
2) Promotion of Education	23.35	9.76
3) Building of Roads, pathway and bridges	-	3.72
4) Other approved activities	0.61	-
	48.46	**19.23**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 32 : Exceptional Item :

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit (Loss) on Sale of Shares	25.62	50.83
Total	**25.62**	**50.83**

Note 33 : Tax Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Current Tax		
In respect of the current year	1,176.44	999.01
In respect of the prior year	(5.83)	1.99
	1,170.60	1,001.00
Defered Tax		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(36.15)	(65.02)
Incremental/ (Decremental) Deferred Tax Liability on account of Fair Valuation of Investments	0.92	-
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	4.27	16.36
	(30.97)	(48.66)
Total	**1,140**	**952.34**

Note 34 : Earnings per Share

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit for the period	2,260.59	1,671.15
Weighted average number of Equity Shares outstanding	12,236,412	9,956,300
Weighted average number of Diluted Shares outstanding	12,236,412	9,956,300
Face Value per share	10.00	10.00
Basic EPS (₹)	18.47	16.78
Diluted EPS (₹)	18.47	16.78

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

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

Note 36 : Employee Benefit Obligations

(i) Defined Contribution Plans:

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

(ii) Defined Benefit Plans (Unfuded):

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

(i) Change in present value of obligation

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

(ii) Assets and Liabilities recognised in the Balance Sheet

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

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

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

(iv) Other Comprehensive Income (OCI)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Net cummulative unrecognized actuarial gain/ (loss) opening	**-**	**-**
Acuarial gain/ (loss) for the year on PBO	2.67	(2.08)
Acuarial gain/ (loss) for the year on Assets	-	-
Unrecognized acturial gain/ (loss) for the year	2.67	(2.08)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

(v) Principal Actuarial assumptions

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

(b) Leave Encashment : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded. The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

(i) Change in present value of obligation

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

(ii) Assets and Liabilities recognised in the Balance Sheet

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Present value of obligation as at the end of the period	11.04	11.04
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(11.04)	(11.04)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	**(11.04)**	**(11.04)**
Recognised Under :		
Long Term Provision	6.80	9.43
Short Term Provision	0.96	1.60
Total	**7.77**	**11.04**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

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

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

(iv) Principal Actuarial assumptions

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

Note 37 : Related Parties Disclosures

1. Name of Related Parties and Nature of Relationship :

Particulars	
Where control exists	
Subsidiary Company	Salasar Stainless Limited
Jonit Venture	Sikka-Salasar-JV*
Other Related Parties with whom transactions have taken place during the year :	
Associates :	Capital Udyog
	Capital Founder
	Hill View Infrabuild Ltd.
Key Management Personnels:	Mr. Alok Kumar (Chairman and Managing Director)
	Mr. Shalabh Agrawal (Director)
	Mr. Shashank Agrawal (Joint Managing Director)
	Ms. Tripti Gupta (Director)
Relatives of Key Management Personnels	Mrs. Anshu Agrawal (Wife of Mr. Shashank Agarwal)
	Mrs. Kamlesh Gupta (Wife of Mr. Alok Kumar)
	Mr. Shikhar Gupta (Son of Mr. Alok Kumar)
	Mrs.Taru Agrawal (Wife of Mr. Shalabh Agarwal)

Note: Related parties relationship is as identified by the company and relied upon by the auditors

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

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

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

Nature of Transactions	Subsidiary	Associates / Joint Ventures	Key Management Personnel	Relatives
Sale of goods				
Salasar Stainless Ltd	-	-	-	-
	(23.96)	(-)	(-)	(-)
Purchase of goods				
Salasar Stainless Ltd	50.75	-	-	-
	(31.94)	(-)	(-)	(-)
Capital Founder	-	0.16	-	-
	(-)	(-)	(-)	(-)
Capital Udyog	-	2.96	-	-
	(-)	(0.31)	(-)	(-)
Job work expenses				
Salasar Stainless Ltd	1,813.75	-	-	-
	(1,258.94)	(-)	(-)	(-)
Capital Udyog	-	-	-	-
	(-)	(7.34)	(-)	(-)
Rental Expenses				
Salasar Stainless Ltd	2.50	-	-	-
	(-)	(-)	(-)	(-)
Directors Remuneration				
Sh. Alok Kumar	-	-	66.00	-
	(-)	(-)	(20.50)	(-)
Sh. G. K. Agarwal	-	-	-	-
	(-)	(-)	(10.50)	(-)
Sh. Shashank Agarwal	-	-	60.00	-
	(-)	(-)	(7.50)	(-)
Sh. Shalabh Agarwal	-	-	48.00	-
	(-)	(-)	(16.25)	(-)
Ms. Tripti gupta	-	-	42.00	-
	(-)	(-)	(14.70)	(-)
Salary				
Mrs. Anshu Agarwal	-	-	-	18.00
	(-)	(-)	(-)	(10.08)
Mrs. Taru Agarwal	-	-	-	18.00
	(-)	(-)	(-)	(10.08)
Mrs. Kamlesh Gupta	-	-	-	-
	(-)	(-)	(-)	(5.08)

Nature of Transactions	Subsidiary	Associates / Joint Ventures	Key Management Personnel	Relatives
Mr. Shikhar Gupta	-	-	-	-
	(-)	(-)	(-)	(6.65)
Lease Rent -Car				
Sh. Shashank Agarwal	-	-	5.40	-
	(-)	(-)	(2.25)	(3.15)
Sh. Shalabh Agarwal			6.60	-
			(4.15)	(-)
Mrs. Anshu Agarwal	-	-	-	3.00
	(-)	(-)	(-)	(1.50)
Mrs. Kamlesh Gupta	-	-	-	1.80
	(-)	(-)	(-)	(0.75)
Loans Received				
Hill View Infrabuild Ltd	-	-	-	-
	(-)	(-)	(-)	(-)
Sh. Shashank Agarwal	-	-	-	-
	(-)	(-)	(-)	(-)
Sh. Shalabh Agarwal	-	-	-	-
	(-)	(-)	(55.00)	(-)
Interest Paid				
Sh. Shashank Agarwal	-	-	2.10	-
	(-)	(-)	(7.98)	(-)
Sh. Shalabh Agarwal	-	-	6.74	-
	(-)	(-)	(7.50)	(-)
Loans Given				
Salasar Stainless Ltd	501.36	-	-	-
	(319.44)	(-)	(-)	(-)
Sikka-Salasar-JV	-	1,276.01	-	-
	(-)	(-)	(-)	(-)

* Figures in braket represent previous year amount.

3. Balance outstanding at the end of the year

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 38 : Micro, Small and Medium Enterprises.

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

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

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

Note 39 : Contingent Liabilities and commitments (to the extent not provided for)

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

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

Note 40 : First Time Ind AS Adoption Reconciliations:

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

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

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-current Assets						
Property, Plant and Equipment	2,736.43	-	2,736.43	2,442.06	-	2,442.06
Financial assets						-
(a) Investments	1,794.60	-	1,794.60	1,794.60	-	1,794.60
(b) Other financial asset	520.82	-	520.82	46.73	-	46.73
Current Assets						
Inventories	6,108.29	-	6,108.29	4,141.61	-	4,141.61
Financial Assets						
(a) Investments	120.55	-	120.55	169.61	-	169.61
(b) Trade Receivables	7,765.54	-	7,765.54	5,849.31	-	5,849.31
(c) Cash and Cash Equivalent	13.75	-	13.75	40.49	-	40.49

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
(d) Bank balances other than (c) above	564.31	-	564.31	165.43	-	165.43
(e) Other financial assets	1,767.41	-	1,767.41	49.27	-	49.27
Current tax assets (Net)						
Other current assets	1,558.43	-	1,558.43	863.72	-	863.72
TOTAL ASSETS	**22,950.14**	**-**	**22,950.14**	**15,562.83**	**-**	**15,562.83**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	995.63	-	995.63	497.82	-	497.82
Other Equity	8,178.56	-	8,178.56	7,006.57	-	7,006.57
Liabilities						
Non-current Liabilities						
Financial Liabilities						
(a) Borrowings	220.86	-	220.86	322.25	-	322.25
(b) Other Financial Liabilities	750.71	-	750.71	-		-
Provisions	75.10	-	75.10	44.12	-	44.12
Deferred Tax Liabilities (Net)	77.48	-	77.48	126.87	-	126.87
Other Non-current Liabilities	231.55	-	231.55	-	-	-
Current Liabilities						
Financial Liabilities						
(a) Borrowings	5,156.81	-	5,156.81	3,964.89	-	3,964.89
(b) Trade Payables	3,272.83	-	3,272.83	1,513.69	-	1,513.69
(c) Other Financial Liabilities	12.27	-	12.27	162.92	-	162.92
Provisions	92.51	-	92.51	204.76	-	204.76
Other Current Liabilities	3,685.40	-	3,685.40	1,668.85	-	1,668.85
Current Tax Liability (Net)	200.44	-	200.44	50.10	-	50.10
TOTAL EQUITY AND LIABILITIES	**22,950.14**	**-**	**22,950.14**	**15,562.83**	**-**	**15,562.83**

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

Particulars	Profit	Other Equity	
	Year ended 31 March, 2017	As at 31 March, 2017	As at 1 April, 2016
Net Profit/ Other Equity as per Previous Indian GAAP	1,676.54	8,185.30	7,006.57
Effects of transition of IND AS	-		-
Acturial Gain/Loss on employees benefit recognised in the Other Comprehensive Income (net of tax)	(1.35)	(1.35)	(4.04)
Acturial Gain/Loss on employees benefit recognised in the Profit & Loss A/c (net of tax)	1.35	1.35	4.04
Investment in Equity Shares fair value as per IND AS 109 (net of tax)	(8.53)	(8.53)	-
Discounting of Security Deposit received and corresponding impact on service cost/interest expense (net of tax)	1.34	1.79	-
Total Comprehensive Income/ Other Equity under IND AS	**1,669.35**	**8,178.56**	**7,006.57**

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

Particulars	Year ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from Operations	40,378.67	-	40,378.67
Other Income	30.03	0.79	30.82
Total Revenue	**40,408.70**	**0.79**	**40,409.49**
EXPENDITURE			
Cost of Materials Consumed	24,978.94	-	24,978.94
Purchases of Traded Goods	967.13	-	967.13
Changes in Inventories of Finished Goods,	(2,553.02)	-	(2,553.02)
Work-in-progress and others			
Excise Duty on Sale of Goods	3,082.65	-	3,082.65
Employee Benefits Expenses	1,023.80	(2.08)	1,021.72
Finance Costs	560.54	18.31	578.85
Depreciation and Amortization Expenses	124.67	-	124.67
Other Expenses	9,644.98	(9.11)	9,635.88
Total Expenses	**37,829.70**	**7.12**	**37,836.82**
Profit before Exceptional Items & Taxes	2,579.00	(6.33)	2,572.66
Exceptional Items	48.21	2.62	50.83
Profit Before Tax	**2,627.20**	**(3.71)**	**2,623.49**
Tax Expenses			-
Current Tax	1,001.00		1,001.00
Deferred Tax	(50.34)	1.67	(48.67)

Profit for the Year	**1,676.54**	**(5.38)**	**1,671.16**

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

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

5. Notes to reconciliations:

   (a) Fair valuation of investments

   FVTPL Investments

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

   (b) Remeasurements of defined benefit plans

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

   (c) Discounting of Security Deposit

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

   4 Deferred tax

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

Note 41 :

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

Note 42:

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

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

CA. Arun Kumar Jain
Partner
M. No. 084598

Place : New Delhi
Date : 22 May 2018

For and on behalf of the Board of Directors

Sd/-
Alok Kumar
Managing Director

Sd/-
Shashank Agarwal
Jt. Managing Director

Sd/-
Kamlesh Kr. Sharma
(Chief Financial Officer)

Sd/-
Rahul Rastogi
(Company Secretary)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SALASAR STAINLESS LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

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

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

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

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

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

For VAPS & COMPANY
Chartered Accountants (FRN.: 3612N)

P. K. JAIN
Partner
(Membership No. 82515)

New Delhi, May 15, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Stainless Limited of even date)

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

We have audited the internal financial controls over financial reporting of of SALASAR STAINLESS LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components

of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For VAPS & COMPANY
Chartered Accountants (FRN.: 3612N)

P. K. JAIN
Partner
(Membership No. 82515)

New Delhi, May 15, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Salasar Stainless Limited of even date)

i. In respect of the Company's fixed assets:

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. The Company is engaged in manufacturing and sale of Stainless Steel Pipes/ Tubes. As explained to us the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

iii. According to the information and explanations given to us, the Company has granted unsecured loans to three bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for manufacturing of stainless steel pipes/ tubes. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of dispute are given below:

Name of the Statute	Nature of	Forum where the	Period to	Amount
U.P. Tax on Entry of Goods in to areas ordinance, 2007, UP VAT Act, 2008 and Sales Tax Act	Entry Tax, UP VAT and Central Sales Tax	Before the Additional Commissioner (Appeals) Commercial Tax, Ghaziabad (UP)	Financial Year 2012-13	77.68

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For VAPS & COMPANY
Chartered Accountants (FRN.: 3612N)

P. K. JAIN
Partner
(Membership No. 82515)

New Delhi, May 15, 2018

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Lakh)

Particular	Note No.	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
ASSETS				
Non-current Assets				
Property, Plant and Equipment	2	3,470.44	3,421.35	3,037.02
Capital Work-n-Progress	2	-	-	11.61
Intangible Assets	3	-	0.42	0.42
Financial Assets				
(a) Investments	4	-	-	18.50
(b) Other financial asset	5	43.43	42.16	40.94
Other non-current assets		-	-	-
Current Assets				
Inventories	6	895.46	773.22	348.87
Financial Assets				
(a) Trade Receivables	7	485.17	205.10	408.19
(b) Cash and Cash Equivalent	8	3.57	8.97	10.16
(c) Bank balances other than (b) above	9	50.68	50.68	21.68
(d) Other financial assets	10	15.57	11.65	9.24
Current Tax Assets (Net)	11	-	-	5.96
Other current assets	12	130.18	286.37	90.42
TOTAL ASSETS		**5,094.50**	**4,799.92**	**4,003.01**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	13	499.90	499.90	499.90
Other Equity	14	2,481.33	1,776.34	1,582.20
Liabilities				
Non-current Liabilities				
Financial Liabilities				
(a) Borrowings	15	363.50	484.09	808.07
Provisions	16	23.82	14.98	7.62
Deferred Tax Liabilities (Net)	17	149.63	129.00	125.65
Current Liabilities				
Financial Liabilities				
(a) Borrowings	18	69.10	1,003.64	495.84
(b) Trade Payables	19	93.48	137.61	56.00
(c) Other Financial Liabilites	20	-	-	166.67
Provisions	21	0.55	8.29	18.67
Other Current Liabilities	22	1,304.15	716.93	242.39
Current Tax Liability (Net)	23	109.04	29.14	-
TOTAL EQUITY AND LIABILITIES		**5,094.50**	**4,799.92**	**4,003.01**

Notes referred to above and notes attached there to form an integral part of Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

For **VAPS & COMPANY**
Firm Registration No. 003612N
Chartered Accountants

Sd/-
P. K. Jain
Partner
M. No. 082515

Place : New Delhi
Date : 15 May 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Income Tax	923.07	256.65
Adjustment for:		
Depreciation and amortisation expenses	229.68	204.18
Finance costs	16.24	166.14
Provision for doubtful debts	14.10	-
Adjustment on account of re-measurement of the defined benefit plan	4.13	1.68
Profit on sale of property, plant and equipment (net)	(2.71)	
Interest Income	(6.19)	(5.04)
Operating Profit before Working Capital Changes	1,178.31	623.61
Changes in working capital :		
Adjustment for (increase) / decrease in operating assets		
Inventories	(122.24)	(424.35)
Trade receivables	(294.17)	203.09
Other financial assets	42.16	(50.98)
Other current assets	157.46	(189.99)
Other non-current assets	-	-
Adjustment for increase / (decrease) in operating assets		
Trade payables	(44.13)	81.61
Other current liabilities	667.12	503.67
Other financial liabilities		(166.67)
Provisions	1.09	(3.01)
Cash Generated From Operations	1,585.61	576.98
Income Taxe Paid	250.20	8.27
Net Cash Flow from Operating Activities (A)	**1,335.41**	**568.71**
B. Cash Flow From Investing Activities		
Net Assets transfer from amalgamating company	-	1.57
Bank Balances not considered as cash and cash equivalents	0.01	(29.01)
Proceeds from sale of property, plant and equipment	7.50	-
Interest Income	6.19	5.04
Purchase of property, plant and equipment	(283.14)	(565.18)
Net Cash Used In Investing Activities (B)	**(269.45)**	**(587.57)**
C. Cash Flow From Financing Activities		
Repayment of borrowings (other than Short-term)	(120.59)	(323.98)
Net increase/ (decrease) in short term borrowings	(934.53)	507.80
Finance Costs	(16.24)	(166.14)
Net Cash Flow From Financing Activities (C)	**(1,071.36)**	**17.68**
Net Changes in Cash & Cash Equivalents (A + B + C)	(5.40)	(1.19)
Add : Opening Cash & Cash Equivalents	8.97	10.16
Closing Cash & Cash Equivalents	**3.57**	**8.97**

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

For **VAPS & COMPANY**
Firm Registration No. 003612N
Chartered Accountants

Sd/-
P. K. Jain
Partner
M. No. 082515

Place : New Delhi
Date : 15 May 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399

Statement of changes in Equity for the year ended March 31, 2018

A. Equity share capital (Note 13) **(₹ in Lakh)**

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31st March, 2017	499.90	-	499.90
For the period ended 31st March, 2018	499.90	-	499.90

B. Other Equity (Note 14) **(₹ in Lakh)**

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through OCI	Remeasurement of defined benefit Plan	
Balance as at April 1, 2016	1,294.70	-	286.27	-	1.22	1,582.20
Profit for the year	-	-	198.25	-	-	198.25
Other Comprehensive Income (net of tax)	-			-	1.10	1.10
Total Comprehensive Income for the year	**-**	**-**	**198.25**	**-**	**1.10**	**199.35**
Loss on amalgamation	-		(5.21)			(5.21)
Balance as at March 31, 2017	**1,294.70**	**-**	**479.32**	**-**	**2.32**	**1,776.34**
Profit for the year			702.00			702.00
Other Comprehensive Income (net of tax)					2.99	2.99
Total Comprehensive Income for the year	-	-	702.00	-	2.99	704.99
Balance as at March 31, 2018	**1,294.70**	**-**	**1,181.32**	**-**	**5.31**	**2,481.33**

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

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

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

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

For **VAPS & COMPANY**
Firm Registration No. 003612N
Chartered Accountants

Sd/-
P. K. Jain
Partner
M. No. 082515

Place : New Delhi
Date : 15 May 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

SALASAR STAINLESS LIMITED
C-211, II FLOOR, C-BLOCK, NARWANA APARTMENT, I.P. EXTN., PATPARGANJ, DELHI-110092
CIN : U27205DL2010PLC201399
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Cash Flow From Operating Activities		
Net Profit Before Income Tax	3,400.23	2,623.49
Adjustment for:		
Depreciation & amortization	156.41	124.67
Loss on sale of property, plant and equipment	1.10	-
Finance costs	825.45	578.85
Provision for doubtful debts	11.94	159.97
Adjustment on account of fair valuation of assets	2.67	(2.08)
Rental income	(2.50)	
Interest income	(112.42)	(30.03)
Profit on sale of investments	(25.62)	(50.83)
Operating Profit Before Working Capital Changes	**4,257.25**	**3,404.04**
Adjustments For Working Capital		
Adjustment for (increase) / decrease in operating assets		
Inventories	(1,897.47)	(1,966.68)
Trade receivables	(6,923.23)	(2,076.20)
Other financial assets	835.33	(1,718.14)
Other current assets	(1,592.94)	(694.71)
Adjustment for increase / (decrease) in operating assets		
Trade payables	(165.05)	1,759.14
Other current liabilities	1,104.80	2,166.90
Other financial liabilities	85.93	600.06
Provisions	(40.15)	(81.27)
Other non-current liabilities	(84.20)	231.55
Cash Generated From Operations	**(4,419.75)**	**1,624.69**
Income Taxe Paid	1,170.60	1,001.00
Net Cash Flow from Operating Activities (A)	**(5,590.35)**	**623.69**
Cash Flow From Investing Activities		
Sale of current investments	105.59	99.88
Interest Income	112.42	30.03
Investment in Joint Venture	(0.49)	-
Rental Income	2.50	
Purchase of property, plant and equipment	(1,231.08)	(419.04)
Bank Balance (not consider as cash and cash equivalents)		(278.77)
Proceeds from sale of Property, Plant and Equipment		1.25
Net Cash flow from Other Financial Assets	(66.55)	(474.09)
Net Cash Used In Investing Activities (B)	**(1,355.14)**	**(1,162.10)**
Cash Flow From Financing Activities		
Proceeds from issue of Equity Shares	3,436.62	-
Repayment of Long Term Borrowings	(106.88)	(101.39)
Increase/(Decrease) In Short Term Borrowings	5,198.96	1,191.92
Dividend Paid (including dividend distribution tax)	(159.90)	-
Finance Costs	(825.45)	(578.85)
Net Cash Flow From Financing Activities (C)	**7,543.35**	**511.68**
Net Changes in Cash & Cash Equivalents (A + B + C)	597.86	(26.73)
Add : Opening Cash & Cash Equivalents	13.77	40.49
Closing Cash & Cash Equivalents	**611.62**	**13.77**

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

For **VAPS & COMPANY**
Firm Registration No. 003612N
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
P. K. Jain
Partner
M. No. 082515

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

Place : New Delhi
Date : 15 May 2018

Notes to the Financial Statements

Note -1 : Significant Accounting Policies

A. CORPORATE INFORMATION

Salasar Stainless Limited, the company was incorporated on 09th April 2010. The Company is engaged in manufacturing and sale of Stainless Steel Tubes/Pipes and galvanised & non- galvanised M.S. Steel Structures. The Company has one manufacturing facilities at Khera Dhehat, Hapur (UP) .

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

(i) Basis of compliance

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

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

Reconciliation and description of the effects of the transition has been summarised in Note 37.

(ii) Basis of Preparation of Financial Statement

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

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

(iii) Critical accounting estimates, assumptions and judgements

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

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

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

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

(i) Useful life of Property, Plant and Equipment

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

(ii) Income taxes

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

(iii) Contingencies

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

(iv) Allowance for uncollectable accounts receivable and advances

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

(iv) Use of estimates

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

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

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

(v) Fair Value Measurement

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

(vi) Property, Plant & Equipment

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

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

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

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

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

(vii) Intangible Assets

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

Subsequent Expenditure:

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

Amortization of intangible assets with finite useful lives:

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

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

(viii)Impairment of Non Financial Assets

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

(ix) Inventories

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

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

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

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

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

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

Financial Assets

(a) Initial recognition and measurement:

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

(b) Subsequent measurement

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

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

(c) Classification:

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

(d) Financial assets measured at amortised cost:

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

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

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

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

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

(g) Investment in Equity Instruments:

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

(h) Derecognition of Financial assets:

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

(i) Impairment of Financial assets:

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

Financial Liabilities

(a) Initial recognition and measurement:

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

(b) Classification & Subsequent measurement:

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

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

(c) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process.Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

(d) Derecognition of Financial Liabilities:

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

(e) Financial guarantee contract

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

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

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109' Financial Instruments'; and

- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS ' Revenue'

Offsetting financial instruments:

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

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

(xi) Cash and Cash Equivalents

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

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

(xii) Cash Flow Statement

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

(xiii) Borrowing Costs

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

(xiv) Investments

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

(xv) Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

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

(a) General

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

(b) Contingencies

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

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

(xvii) Share capital and Share Premium

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

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

(xviii) Revenue Recognition

(a) Sale of goods

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

(b) Rendering of Services

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

(c) Other Income

- Interest income

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

- Dividends

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

(xix)Taxation

(a) Income tax

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

Current tax

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

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

Deferred tax

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

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

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

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

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

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

(xx) Provisions

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

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

(xxi) Earnings per Share

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

(xxii) Employee Benefits

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

Provident Fund:

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

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Gratuity:

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

(xxii) Related Party Transactions

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

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

C. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

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

Amendment to Ind AS 7:

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

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

Amendment to Ind AS 102:

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

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

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

D. TRANSITION TO IND AS

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

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

(a) Optional exemptions availed

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

(i) Deemed Cost

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

(ii) Investments in subsidiaries, joint venture and associates

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

(iii) Designation of previously recognised financial instruments

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

Note -2 : Property Plant and Equipment

(₹ in Lakh)

	Freehold Land	Plant & Equipment	Buidings	Furniture & Fixtures	Office Equipment	Vehicle	Total
Gross Carrying Value							
As at April 1, 2016	549.88	1,732.43	723.73	3.26	19.88	7.84	3,037.02
Add : Addition	11.73	518.04	49.22	-	9.51	-	588.51
Less : Diposals	-	-	-	-	-	-	-
Less : Impairment	-	-	-	-	-	-	-
As at March 31, 2017	561.61	2,250.48	772.95	3.26	29.39	7.84	3,625.53
Add : Addition	60.86	187.42	25.91	0.15	8.80	-	283.14
Less : Diposals	-	7.47	-	-	-	-	7.47
As at March 31, 2018	**622.47**	**2,430.42**	**798.86**	**3.41**	**38.20**	**7.84**	**3,901.20**
Accumulated Depreciation							
As at April 1, 2016	-	-	-	-	-	-	-
Add : Charge For the year	-	172.95	25.84	0.49	2.96	1.94	204.18
Less : Disposals	-	-	-	-	-	-	-
As at March 31, 2017	-	172.95	25.84	0.49	2.96	1.94	204.18
Add : Charge For the year	-	195.70	27.61	0.49	3.52	1.94	229.26
Less : Disposals		2.68	-	-	-	-	2.68
As at March 31, 2018	**-**	**365.97**	**53.45**	**0.97**	**6.49**	**3.88**	430.76
Net Block							
As at April 1, 2016	549.88	1,732.43	723.73	3.26	19.88	7.84	3,037.02
As at March 31, 2017	561.61	2,077.53	747.11	2.77	26.43	5.90	3,421.35
As at March 31, 2018	**622.47**	**2,064.45**	**745.41**	**2.44**	**31.71**	**3.96**	**3,470.44**
Capital Work-in-Progress							
As at April 1, 2016							11.61
As at March 31, 2017							**-**
As at March 31, 2017							-

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2017 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 3 : Intangible Assets

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2016	0.42
Add : Addition	-
Less : Deletion	-
As at March 31, 2017	0.42
Add : Addition	-
Less : Deletion	-
As at March 31,2018	**0.42**
Accumulated Amortization	
As at April 1, 2016	-
Add : Amortization expenses	-
Less : Deletion	-
As at March 31, 2017	-
Add : Amortization expenses	0.42
Less : Deletion	-
As at March 31,2018	**0.42**
Net Block	
As at April 1, 2016	0.42
As at March 31, 2017	
As at March 31,2018	**-**

The company has elected to continue with the carrying value of all of itsintangible assets recognised as at April 1, 2017 (the transition date) measured as per the previous GAAP as its deemed cost as of the transition date. Accordingly, the gross block as at April 1, 2016 is net of accumulated depreciation.

Note 4 : Investments

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Unquoted			
Shares Of Ganges Concast Industries Limited*	-	-	18.50
(84375 Equity Share of Rs. 10 Each fully paid up)			
(Wholly Owned Subsidiary)			
(Out of 84375 equity share held by Salasar Stainless Ltd, 84369 Equity Share are held by Holding Co in its own name and remain six share held by nominies)			
Total	**-**	**-**	**18.50**

*Wholly owned subsidiary Ganges Concast Industires Limited merged with Salasar Stainless Limited vide High Court Approval dated 29.08.2016. Since the transferor company is a Wholly owned subsidairy of the transfree company , no new shares has been issued by the transfree comapny pursuant to the scheme of amalgamation, hence holding has been cancelled.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 5 : Other Financial Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Security Deposits	**40.48**	**39.86**	**39.35**
Unsecured, considered good			
Earnest Money Deposit	2.95	2.31	1.59
Total	**43.43**	**42.16**	**40.94**

Note 6 : Inventories

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Raw Material	652.07	637.17	146.86
Finished Goods	45.55	58.70	164.44
WIP	188.60	69.46	32.16
Scrap	4.24	3.89	2.91
Consumables	5.00	4.00	2.50
Total	**895.46**	**773.22**	**348.87**

Note 7 : Trade Receivables

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Unsecured, considered good	485.17	205.10	408.19
Doubtful	14.10	-	
	499.27	205.10	408.19
Less : Provision for Doubtful Debts	(14.10)	-	-
Total	**485.17**	**205.10**	**408.19**

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

(ii) Movement in allowance for doubtful debts

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Balance at the beginning of the year	**-**	-
Allowance for doubtful debts	**-**	-
Provision during the year	14.10	-
Reversal during the year	**-**	-
Balance at the end of the year	**14.10**	-

Note 8 : Cash and Cash Equivalents

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Cash in hand	2.23	6.02	8.26
Balances with Banks			
Current Accounts	1.33	2.95	1.90
Total	**3.57**	**8.97**	**10.16**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 9 : Other Bank Balances

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Balances with banks to the extent held as margin money*	50.68	50.68	21.68
Total	**50.68**	**50.68**	**21.68**

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Note 10 : Other Financial Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Accrued Interest on FDR	15.57	11.65	9.24
Total	**15.57**	**11.65**	**9.24**

Note 11 : Current Tax Assets (Net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Advance Tax/TDS net of Provisions	-	-	5.96
Total	**-**	**-**	**5.96**

Note 12 : Other Current Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Advances for Raw Materials	8.96	45.11	44.04
Advances for Capital Goods	-	56.47	3.53
Balance with Tax Authorities	91.31	167.81	28.70
Other Receivables	27.22	14.52	12.61
Prepaid Expenses	2.69	2.46	1.53
Total	**130.18**	**286.37**	**90.42**

Note 13 : Equity Share Capital

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Authorised			
65,00,000 (Previous Year 65,00,000) Equity Shares of Rs. 10/- each	650.00	650.00	500.00
	650.00	650.00	500.00
Issued, Subscribed and Paid up			
49,99,000 (Previous Year 49,99,000) Equity Shares of Rs. 10/- each fully paid up in cash	499.90	499.90	499.90
Total	**499.90**	**499.90**	**499.90**

A. Rights, Preferences and restrictions attached to shares

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

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

Particulars	As at 31st March, 2018		As at 31st March 2017		As at 1st April 2016	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	4,999,000	49,990,000	4,999,000	49,990,000	4,999,000	49,990,000
Add: Equity Shares Issued during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	4,999,000	49,990,000	4,999,000	49,990,000	4,999,000	49,990,000

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

Name of Shareholder	As at 31st March, 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of holding	No. of Shares held	% of holding	No. of Shares held	% of holding
M/s Salasar Techno Engineering Limited	4,999,000	100%	4,999,000	100%	4,999,000	100%

Out of the above 49,99,000 Shares (Previous year 49,99,000 shares), held by the holding company, 6 shares are held through company's nominees.

Note 14 : Other Equity

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Securities Premium Account	1,294.70	1,294.70	1,294.70
General Reserves	-	-	
Retained Earning*	1,186.63	481.64	287.50
Total (A+B)	**2,481.33**	**1,776.34**	**1,582.20**

For movement during the period/year in Other Equity, refer 'Statement of Changes in Equity'.

*Retained Earning includes Other Comprehensive Income.

Note 15 : Borrowings

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Secured			
From Bank	-	-	410.59
Less : Current maturity of long-term debt (Refer Note No 20)	-	-	166.67
	-	-	243.92
Unsecured			
Loans & advances from Related parties	363.50	484.09	564.15
Total	**363.50**	**484.09**	**808.07**

A. Term Loan from Bank:

₹ Nil (As at Mrach 31, 2017 ₹ Nil, As at April 1, 2016 ₹ 410.59 Lakh secured by first charge on land, building and Plant & Machinery at facory. The term loan which was repayable by March 2018 has been repaid during the year 2016-17.

B. Long Term Borrowings from related parties:

Name of the Party	Nature of Borrowings	Relationship	As at 31 March, 2018	As at 31 March, 2017	As at 1st April, 2016
Hill View Infrabuild Ltd	Unsecured Loan	Associate	363.50	363.50	363.50
Sh. Shashank Agarwal	Unsecured Loan	Relative of KMP	-	120.59	200.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 16 : Provisions

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Provision for Employee Benefits			
Gratuity	23.12	12.66	7.62
Compensated Absences	0.69	2.32	-
Total	**23.82**	**14.98**	**7.62**

Note 17 : Deferred Tax Liability

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Deferred Tax Liabilities :			
Opening Balance	300.07	246.60	210.63
Increase / (decrease) on account of Property, Plant and equipment	(27.82)	52.89	35.32
Increase / (decrease) on account of IND AS adjustments	1.14	0.58	0.65
Total (a)	273.39	300.07	246.60
Deferred Tax Assets :			
In relation to Provisions :			
Opening Balance	171.07	120.95	120.38
Increase / (decrease) on account of Provisions	1.32	2.76	0.56
Increase / (decrease) on account of MAT Credit	(48.62)	47.36	-
Total (b)	123.76	171.07	120.95
Total (a-b)	**149.63**	**129.00**	**125.65**

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Deferred Tax Assets Comprises :			
(i) Provisions			
Opening Balance	5.40	2.63	2.07
Increase / (decrease) during the year	1.32	2.76	0.56
	6.71	**5.40**	**2.63**
(ii) MAT Credit Entitlement			
Opening Balance	165.67	118.32	118.32
Increase / (decrease) during the year	(48.62)	47.36	-
	117.05	**165.67**	**118.32**
Total Deferred Tax Assets	**123.76**	**171.07**	**120.95**

Note 18 : Borrowings

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Secured			
Loan repayable on demand from banks	-	1,003.64	495.84
Un secured			
From Banks	69.10	-	-
Total	**69.10**	**1,003.64**	**495.84**

Working Capital Facilities were secured by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, and exclusive charges over all the moveable and immovable assets of the company. Mr. Alok Kumar, Mr. Shashank Agarwal, Mr. Shalabh Agarwal and Mr. Shikhar gupta and holding compnay was given the personal/corporate guarantee to the Bank for Working Capital facilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 19 : Trade Payable

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Creditors for Raw Material	93.48	137.61	56.00
Total	**93.48**	**137.61**	**56.00**

Note 20 : Other Financial Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Current Maturities of Long term Debts	-	-	166.67
Total	**-**	**-**	**166.67**

Note 21 : Provisions

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Provision for Gratuity	0.48	1.02	0.07
Provision for Compensated Absences	0.07	0.32	-
Provision for Excise Duty on Finished Goods	-	6.95	18.59
Total	**0.55**	**8.29**	**18.67**

Note 22 : Other Current Liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Advances from Related Parties	918.94	417.58	90.76
Payables for Capital Goods	-	8.16	15.34
Other Payables	287.36	139.59	51.48
Advance from Customers	1.63	58.08	61.04
Due to Employees	75.82	54.96	16.36
Statutory Dues	19.86	23.82	6.23
Expenses payables	0.54	14.73	1.19
Total	**1,304.15**	**716.93**	**242.39**

Note 23 : Current Tax Liability (net)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016
Provision net of Advance Tax / TDS	109.04	29.14	-
Total	**109.04**	**29.14**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 24 : Revenue from operations (gross)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Sale of Products :		
(a) Within India	820.67	760.49
(b) Outside India	539.57	411.52
Sale of Services	2,199.84	1,330.85
Other Operating Revenues	64.89	23.95
Total	**3,624.98**	**2,526.81**
Sale of Products Comprises:		
Manufactured goods		
S.S. Tubes/Pipe Fittings	994.84	773.74
S.S. Structures	243.06	127.95
Rigid Conduit	-	197.68
Others	122.34	72.65
Total	**1,360.24**	**1,172.02**
Sale of Services Comprises:		
Job Work	2,199.84	1,330.85
Total	**2,199.84**	**1,330.85**
Other Operating Revenues Comprises:		
Sale of Scrap	30.06	16.52
Export Incentives	7.40	7.43
Misc Income	27.43	-
Total	**64.89**	**23.95**

Note 25 : Other Income

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Interest on Others Financial Assets	**1.83**	**2.37**
Interest on Bank Deposits	4.36	2.67
Profit on sale of Property, Plant and Equipment	2.71	-
Total	**8.90**	**5.04**

Note 26 : Cost of Raw Material Consumed

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Opening Stock	**637.17**	**146.86**
Add : Purchases	825.90	1,245.16
	1,463.07	1,392.02
Less :- Closing Stock	652.07	637.17
Total	**811.00**	**754.85**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

A. Details of Raw Material Consumed

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Steel Strips/ Coils	**691.02**	**629.42**
Zinc	119.98	35.08
Rigid Conduit	-	90.35
Total	**811.00**	**754.85**

Note 27 : Changes in Inventories of Finished goods, WIP and Scrap

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Opening Stock		
Finished Goods	58.70	164.44
WIP	69.46	32.16
Scrap	3.89	2.91
Total (a)	**132.05**	**199.51**
Closing Stock		
Finished Goods	45.55	58.70
WIP	188.60	69.46
Scrap	4.24	3.89
Total (b)	**238.39**	**132.05**
Add / (Less) :- Variation in excise duty on opening and closing stock of finished goods		
Opening Balance	6.95	18.59
Closing Balance	-	6.95
Total (c)	(6.95)	(11.64)
(Increase) / Decrease in Stock (a-b+c)	**(113.29)**	**55.82**

Note 28 : Employee Benefits Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Salary and Wages	728.39	369.36
Contribution to Provident Fund & ESI	59.01	27.90
Staff Welfare	6.76	5.63
Total	**794.16**	**402.88**

Note 29 : Finance Costs

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Bank Interest	12.32	137.78
Interest on Unsecured Loan	-	23.82
Bank Charges	3.91	4.54
Total	**16.24**	**166.14**

Note 30 : Depreciation and Amortization Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Depreciation of Property,Plant and Equipment	229.26	204.18
Amortization of Intangible Assets	0.42	-
Total	**229.68**	**204.18**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 31 : Other Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Consumption of Stores and spare parts	307.14	205.84
Power & Fuel	145.24	132.04
Job Work Charges	21.08	15.51
Labour Processing and Testing Chargess	92.66	24.31
Repairs to Machinery	105.92	47.78
Repair & Maintenance others	8.07	7.49
Insurance	3.75	3.36
Legal & Professional Charges	147.73	14.04
Travelling and Conveyance	7.70	6.97
Rent, Rate & Taxes	24.86	2.73
Printing & Stationery	3.46	2.69
Postage & Telephone	2.26	2.82
Pcaking Expenses	19.19	25.01
Freight and Forwarding (net)	22.54	33.82
Bad Debts Written off	7.75	38.53
Commission	7.87	-
Provision for doubtful debts	14.10	-
Miscellaneous Expenses	16.52	15.51
		-
Total	**957.83**	**578.45**

Details of payments to auditors:

a. Statutory Audit Fees	0.40	0.40
b. Taxation Matters	0.10	0.10
	0.50	**0.50**

Note 32 : Tax Expenses

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Current Tax		
In respect of the current year	253.63	55.63
In respect of the prior year	(3.43)	-
	250.20	**55.63**
Deferred Tax		
Incremental/ (Decremental) Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	(27.82)	52.89
(Incremental)/ Decremental Deferred Tax Assets on account of Provisions	(1.32)	(2.76)
Deferred Tax Assets on account of MAT Credit	-	(47.36)
	(29.14)	2.77
Total	**221.07**	**58.40**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Note 33 : Earnings per Share

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit for the period	702.00	198.25
Weighted average number of Equity Shares outstanding	49.99	49.99
Weighted average number of Diluted Shares outstanding	49.99	49.99
Face Value per share	10.00	10.00
Basic EPS	14.04	3.97
Diluted EPS	14.04	3.97

Note 34 : Segment Information in accordance to AS-17 - 'Segment Reporting'

The Company has only one segment i.e. manufacturing of Stainless Steel Tubes/Pipes , therefore segment reporting as required under Accounting Standard -17 is considered as not applicable.

Note 35 : Employee Benefit Obligations

(i) Defined Contribution Plans:

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 45.18 Lakh (Year ended 31 March, 2017 ₹ 20.47) for Provident Fund contributions, and ₹ 13.83 (Year ended 31 March, 2016 ₹ 7.42) for Employee State Insurance Scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plans (Unfuded):

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

(i) Change in present value of obligation

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Present value of obligation as at the beginning of the period	13.69	7.69
Acquisition adjustment	-	-
Interest cost	1.01	0.62
Past service cost	-	-
Current service cost	13.91	7.05
Curtailment cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(0.87)	-
Actuarial (gain)/loss on obligation	(4.13)	(1.68)
Present value of obligation as at the end of period	**23.61**	**13.69**

(ii) Assets and Liabilities recognised in the Balance Sheet

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Present value of obligation as at the end of the period	23.61	13.69
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(23.61)	(13.69)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	**(23.61)**	**(13.69)**
Recognised Under :		
Long Term Provision	23.12	12.66
Short Term Provision	0.48	1.02
Total	**23.61**	**13.69**

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

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Current service cost	13.91	7.05
Past service cost	-	-
Interest cost	1.01	0.62
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Expenses recognised in the Statement of Profit & Losses	**14.91**	**7.67**

(iv) Other Comprehensive Income (OCI)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Net cummulative unrecognized actuarial gain/ (loss) opening	-	-
Acuarial gain/ (loss) for the year on PBO	4.13	1.68
Acuarial gain/ (loss) for the year on Assets	-	-
Unrecognized acturial gain/ (loss) for the year	**4.13**	**1.68**

(v) Principal Actuarial assumptions

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Discount Rate per annum	7.72%	7.35%
Salary Escalation rate per annum	5.50%	5.50%
Retirement age	58 Years	58 Years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Estimate of amount of contribution in the immediate next year	20.73	17.60

(b) Leave Encashment : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded. The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:"

(i) Change in present value of obligation

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Present value of obligation as at the beginning of the period	263,152	-
Acquisition adjustment	-	-
Interest cost	19,342	-
Past service cost	-	112,529
Current service cost	25,551	150,623
Curtailment cost/(Credit)	-	-
Settlement cost/(Credit)	-	-
Benefits paid	(263,152)	-
Actuarial (gain)/loss on obligation	31,626	-
Present value of obligation as at the end of period	**76,519**	**263,152**

(ii) Assets and Liabilities recognised in the Balance Sheet

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Present value of obligation as at the end of the period	76,519	263,152
Fair value of plan assets as at the end of the period	-	-
Funded status / Difference	(76,519)	(263,152)
Excess of actual over estimated	-	-
Unrecognized actuarial (gains)/losses	-	-
Net Asset/(Liability) recognised in Balance Sheet	**(76,519)**	**(263,152)**
Recognised Under :		
Long Term Provision	69,342	231,510
Short Term Provision	7,177	31,642
Total	**76,519**	**263,152**

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

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Current service cost	25,551	150,623
Past service cost	-	112,529
Interest cost	19,342	-
Expected return on plan assets	-	-
Curtailment cost / (Credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	31,626	-
Expenses recognised in the Statement of Profit & Losses	**76,519**	**263,152**

(iv) Principal Actuarial assumptions

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

Note 36 : Related Parry Disclosure

1. Name of Related Parties and Nature of Relationship :

Particulars	
Where Control exist irrespective of whether transaction have occurred or not	
Holding Company :	Salasar Techno Engineering Limited
Other Related Parties with whom transaction have taken place during the year :	
Associates :	Hill View Infrabuild Ltd.
Key Management Personnels	Mr. Gyanendra Kumar Agarwal (Director)
	Mr. Raghav Agarwal (Director)
	Mrs. Kamlesh Gupta (Director)
	Mr. Shikhar Gupta (Director)
Relatives of KMP	Mr. Shashank Agarwal (Son of Director)

Note: Related parties relationship is as identified by the company and relied upon by the auditors.

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

Nature of Transactions	Holding	Associates	Key Management Personnel	Relatives
Job Work Income				
Salasar Techno Engineering Limited	1,813.75	-	-	-
	(1,249.43)	(-)	(-)	(-)
Sale of Goods				
Salasar Techno Engineering Limited	50.75	-	-	-
	(31.94)	(-)	(-)	(-)
Godown Rent				
Salasar Techno Engineering Limited	2.50	-	-	-
	(-)	(-)	(-)	(-)
Purchase of Fixed Assets				
Salasar Techno Engineering Limited	-	-	-	-
	(23.96)	(-)	(-)	(-)
Interest Paid				
Sh. Shashank Agarwal	-	-	-	-
	(-)	(-)	(23.82)	(-)
Directors Remuneration				
Sh. Shashank Agarwal	-	-	-	-
	(-)	(-)	(8.75)	(-)
Sh. Gyanendra Kr. Agarwal	-	-	24.00	-
	(-)	(-)	(10.00)	(-)
Sh. Raghav Agarwal	-	-	18.00	-
	(-)	(-)	(5.00)	(-)
Sh. Shikhar Gupta	-	-	24.00	-
	(-)	(-)	(6.25)	(-)
Smt. Kamlesh Gupta	-	-	18.00	-
	(-)	(-)	(6.25)	(-)
Loans and Advances Received				
Salasar Techno Engineering Limited	(417.58)	-	-	-
	(326.83)	(-)	(-)	(-)
Loans and Advances Returned				
Sh. Shashank Agarwal	120.59	-	-	-
	(-)	(-)	(-)	(-)

* Figures in braket represent previous year amount.

3. Balance outstanding at the end of the year

Particulars	As at 31 March, 2018	As at 31 March, 2017
Payables		
Salasar Techno Engineering Limited	-	417.58
Sh. Shashank Agarwal	-	120.59
Hill View Infrabuild Limited	363.50	363.50

Note 37 : First Time Ind AS Adoption Reconciliations:

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

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-current Assets						
Property, Plant and Equipment	3,421.35	-	3,421.35	3,037.02	-	3,037.02
Capital Work-n-Progress	-	-	-	11.61	-	11.61
Intangible Assets	0.42	-	0.42	0.42	-	0.42
Financial Assets			-	-		-
(a) Investments	-	-	-	18.50	-	18.50
(b) Other financial asset	42.16	-	42.16	40.94	-	40.94
Other non-current assets	-	-	-	-	-	-
Current Assets			-	-		-
Inventories	773.22	-	773.22	348.87	-	348.87
Financial Assets			-	-		-
(a) Trade Receivables	205.10	-	205.10	408.19	-	408.19
(b) Cash and Cash Equivalent	8.97	-	8.97	10.16	-	10.16
(c) Bank balances other than (b) above	50.68	-	50.68	21.68	-	21.68
(d) Other financial assets	11.65	-	11.65	9.24	-	9.24
Current Tax Assets (Net)			-	5.96		5.96
Other current assets	286.37	-	286.37	90.42	-	90.42
TOTAL ASSETS	**4,799.92**	**-**	**4,799.92**	**4,003.01**	**-**	**4,003.01**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	499.90	-	499.90	499.90	-	499.90
Other Equity	1,776.34		1,776.34	1,582.20		1,582.20
Liabilities	-	-	-	-	-	-
Non-current Liabilities	-	-	-	-	-	-
Financial Liabilities	-	-	-	-	-	-
(a) Borrowings	484.09	-	484.09	808.07	-	808.07
Provisions	14.98	-	14.98	7.62	-	7.62
Deferred Tax Liabilities (Net)	129.00	-	129.00	125.65	-	125.65
Current Liabilities			-	-		-
Financial Liabilities	-	-	-	-	-	-
(a) Borrowings	1,003.64	-	1,003.64	495.84	-	495.84
(b) Trade Payables	137.61	-	137.61	56.00	-	56.00
Provisions	8.29	-	8.29	166.67	-	166.67
Other Current Liabilities	716.93	-	716.93	18.67	-	18.67
Current Tax Liability (Net)	29.14	-	29.14	242.39	-	242.39
TOTAL EQUITY AND LIABILITIES	**4,799.92**	**-**	**4,799.92**	**4,003.01**	**-**	**4,003.01**

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

Particulars	Profit	Other Equity	
	Year ended 31 March, 2017	As at 31 March, 2017	As at 1st April, 2016
Net Profit/ Other Equity as per Previous Indian GAAP	199.35	1,776.34	1,582.20
Effects of transition of IND AS	-	-	-
Acturial Gain/Loss on employees benefit recognised in the Other Comprehensive Income (net of tax)	1.10	1.10	1.22
Acturial Gain/Loss on employees benefit recognised in the Profit & Loss A/c (net of tax)	(1.10)	(1.10)	(1.22)
Net Profit for the period under IND AS	**199.35**	**1,776.34**	**1,582.20**

(a) Under previous GAAP, re-measurement of defined benefit plans (gratuity) arising primarily due to change in actuarial assumptions was recognised as employee benefit expenses in the statement of Profit and Loss.

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

Particulars	Year ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from Operations	2,526.81	-	2,526.81
Other Income	5.04		5.04
Total Revenue	**2,531.85**	**-**	**2,531.85**
EXPENDITURE			
Cost of Materials Consumed	754.85	-	754.85
Changes in Inventories of Finished Goods,	55.82	-	55.82
Work-in-progress and others			-
Excise Duty on Sale of Goods	112.89	-	112.89
Employee Benefits Expenses	401.20	1.68	402.88
Finance Costs	166.14	-	166.14
Depreciation and Amortization Expenses	204.18	-	204.18
Other Expenses	578.45	-	578.45
Total Expenses	**2,273.53**	**1.68**	**2,275.20**
Profit Before Tax	**258.32**	**(1.68)**	**256.65**
Tax Expenses			-
Current Tax	55.63		55.63
Deferred Tax	3.35	(0.58)	2.77
Profit for the Year	**199.34**	**(1.10)**	**198.25**

Note 38 : Micro, Small and Medium Enterprises.

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

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

Note 39: Contingent Liabilities and commitments (to the extent not provided for)

(₹ in Lakh)

Particulars	As at 31 March, 2018	As at 31 March, 2017
Bank Guarantee for which FDR margin has been given to the bank as security	41.54	50.70
Entry Tax, UP VAT and Central Tax , for the FY 2012-13 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP)	68.26	68.26
Corporate Guarantee to Bank of India and HDFC Bank Ltd for loan taken by holding company M/s. Salasar Techno Engineering Ltd	16,500.00	-

Note 40:

Balances under the head loans and advances, Trade receivables, Trade payables are relied upon and subject to reconciliation and confirmation.

Note 41 : Dislosure under Accounting Standard (AS) -14 -" Accounting for Amalgamation"

1. Name of Amalgamating Company	Ganges Concast Industries Limited
2. Nature of Amalgamating	Merger
3. Effective Date for Accounting Purpose	28th October 2016
4. Method of Accounting	Pooling Interrest
5. Scheme of Amalgamation	Scheme of Amalgamation framed under the provisions of Section 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any.

Wholly owned subsidiary Ganges Concast Industires Limited merged with Salasar Stainless Limited vide High Court Approval dated 29.08.2016. All the assets and liabiliteis of the Ganges Concast Industires Limited has been take over by Salasar Stainless Limited. As the scheme of amalgamation, the Authorized Capital of Rs. 1,50,00.00 Lakh divided into 15,00,000 Equity Shares of Rs. 10 each of transferor company (Ganges Concast Industires Limited) added to and form aprt of the Authorized Capital of the transfree company - Salasar Stainless Limited. Since the transferor company is a Wholly owned subsidairy of the transfree company , no new shares has been issued by the transfree comapny pursuant to the scheme of amalgamation.

Note 42:

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

Note 43 :

Previous figures have been regrouped/ reclassified where necessary to correspond with the current classification/ disclosure.

For **VAPS & COMPANY**
Firm Registration No. 003612N
Chartered Accountants

Sd/-
P. K. Jain
Partner
M. No. 082515

Place : New Delhi
Date : 15 May 2018

For and on behalf of the Board of Directors

Sd/-
G.K. Agarwal
Director
DIN: 01474512

Sd/-
Shikhar Gupta
Director
DIN: 03019943

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH AT NEW DELHI

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 72 (ND) OF 2018

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

AND

IN THE MATTER OF

SALASAR STAINLESS LTD

APPLICANT/TRANSFEROR COMPANY

AND

SALASAR TECHNO ENGINEERING LTD

APPLICANT/TRANSFEREE COMPANY

FORM OF PROXY

I/We,the undersigned, **Secured Creditor(s) of Salasar Techno Engineering Ltd**, hereby appoint Mr/Ms _____ of _____ and failing him/her, Mr/Ms _____ of _____ as my/our proxy to act for me/us at the meeting of the **Secured Creditors of Salasar Techno Engineering Ltd** scheduled to be held **on Saturday, 7th July, 2018, at 2.00 P.M. at 'The Pearl Banquets', 21, Shivaji Marg, Main Najafgarh Road, Opposite DLF Commercial Tower, Moti Nagar, New Delhi-110 015**for the purpose of considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd, and at such meeting and at any adjournment thereof, to vote, for me/us and in my/our name _____ the said Scheme either with or without modification as my/our Proxy may approve.

If you want to vote in favour of the Scheme put **"FOR"** and in case you intend to vote against the Scheme put **"AGAINST"** and in the latter case, strike out all the words after the words "the said Scheme"

Dated this _____ day of _____, 2018

Name: _____ **Address:** _____ _____ _____	Affix Re. 1.00 Revenue Stamp **Signature(s) across the**

	Stamp

Notes:

1. Please affix revenue stamp and sign across the stamp.

2. The Proxy must be deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting.

3. All the alterations, made in the Proxy Form, must be initialed.

4. Proxy need not be a member/creditor of the Applicant Company.

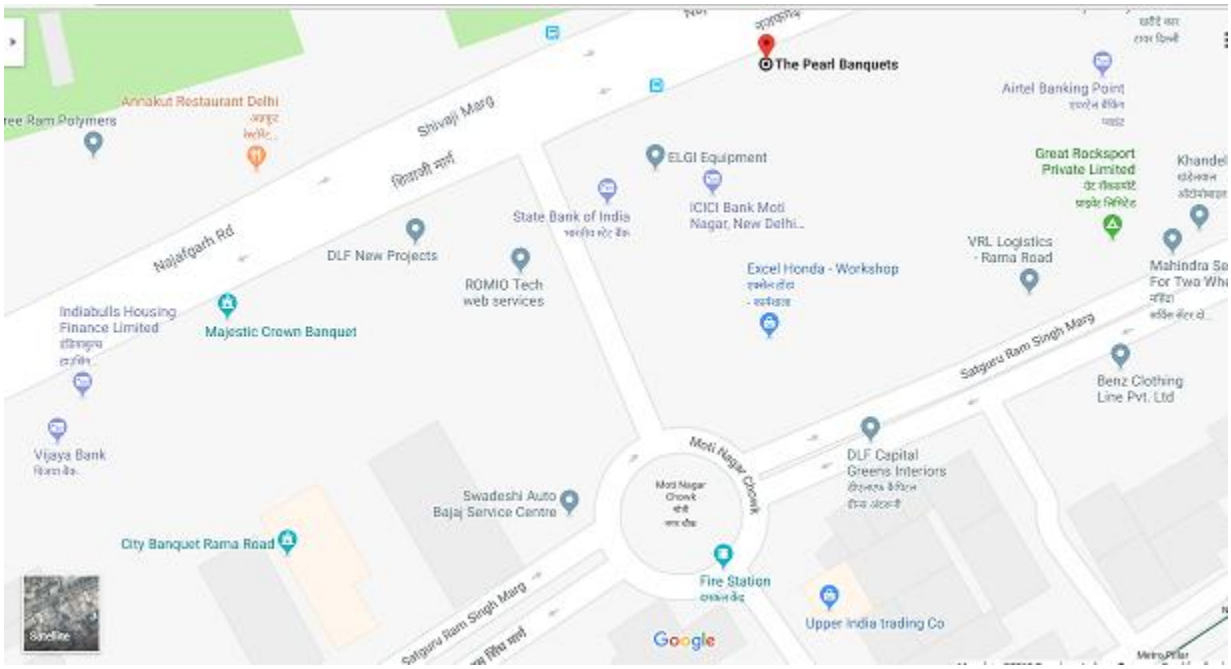
5. All the persons attending the meeting are advised to bring original photo identity proof for verifications.

Salasar Techno Engineering Ltd
[CIN: U 23201 DL 2001 PLC 174076]
Registered Office: E-20, South Extension Part I, New Delhi-110 049
E-mail: compliance@salasartechno.com

Attendance Slip

Sl. No.		**Ref. No.**	
Name of Secured Creditor(s)			
Name of Proxy/ Authorized Rep., if any			

I hereby record my presence at the meeting of the Secured Creditors of Salasar Techno Engineering Ltd being held on Saturday, 7th July, 2018, at 2.00 P.M. at 'The Pearl Banquets', 21, Shivaji Marg, Main Najafgarh Road, Opposite DLF Commercial Tower, Moti Nagar, New Delhi-110 015, under the supervision of the National Company Law Tribunal, New Delhi Bench, New Delhi, for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme of Amalgamation of Salasar Stainless Ltd with Salasar Techno Engineering Ltd, and other connected matters, if any.

Signature

ROUTE MAP FOR SECURED CREDITOR(S) MEETING