HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

206, ASHWARATH COMPLEX, 2ND FLOOR OPP, FORTUNE LANDMARK HOTEL, USMANPURA, AHMEDABAD GUJARAT-380013

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that 26th Annual General Meeting of the Members of **HEERA ISPAT LIMITED** will be held on **Saturday, 29th September, 2018** at **03:00 P.M**. at **Heavy Metal House, 1 Vijayvihar Society, Opp. Childcare Hospital, Navrangpura, Ahmedabad 380 009, Gujarat** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Balance Sheet as at 31st March 2018, Statement of Profit & Loss for year ended on that date and the Reports of Board of Directors and the Auditors thereon.

2. To Re-Appoint Shri Rameshchandra Tribhuvandas Mistry (DIN 02489283), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

3. **Appointment of Statutory Auditors:**

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 4 & 5 of the Companies (Audit and Auditors Rules) 2014 as amended up to the date, and such other applicable provisions, M/s. Naresh J Patel & Co a Peer Reviewed Firm of Chartered Accountants having their Membership No. 110741, Firm Registration No. 123227W, Peer Review Certificate Number: 007882, and IT PAN Number AHWPP1235D be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 24th Annual General Meeting for the financial year 2017-18 until the conclusion of the 29th Annual General Meeting for the financial year 2021-22 (i.e. for next 5 financial years), subject to ratification by members of the company at each Annual General Meeting to audit the accounts of the Company upon such remuneration as may be agreed upon between the Auditors and the Board of Directors for each of the financial year separately."

SPECIAL BUSINESS:

4. Appointment of Mr. Dineshkumar Rao as a Managing Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203 read with Schedule V and all other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof and provisions of the Listing Agreement, approval of members of the Company be and is hereby accorded to the appointment of Mr. Dineshkumar Rao (DIN: 06379029) as the Managing Director of the Company, for a period of five consecutive years effective from October 1, 2018, on the terms and conditions with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT where in any financial year during the tenure of Mr. K Dineshkumar Rao as a Managing Director, the Company has no profits or its profits are inadequate, he shall be paid within such maximum remuneration as permissible under Section II of Part II of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include Committee(s) thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By order of the Board of Directors
for HEERA ISPAT LTD

Place: Ahmedabad
Date: 30.05.2018

(DINESHKUMAR RAO)
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06379029

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

   A person can act as a proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. Complete instructions on e-voting facility provided by the Company are annexed to this Notice explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such remote e-voting facility is in addition to voting that may take place at the Meeting venue on 29th September 2018.

3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative/s to attend and vote at the Annual General Meeting.

4. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of directors seeking appointment/reappointment at the Annual General Meeting is given in detail, as annexed hereto.

5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting, is annexed hereto.

6. **Shareholders are requested to bring their copy of Annual Report to the meeting.**

7. Members/Proxies should fill Attendance Slip for attending the meeting.

8. **The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21ST September, 2018 to Monday, 1st October, 2018 (both days inclusive).**

9. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.

10. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will remain open and available for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every member participating in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company or its Share Registrars and Transfer Agents.

12. **Members who have not registered their email IDs so far with their depository participants, are requested to register their email IDs for receiving all the Communications including Annual Report, Notices etc. in electronic mode.**

13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.

14. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2018 is uploaded on the Company's website www.heeraispat.com and may be accessed by the members.

15. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, a physical copy of the Annual Report for 2017-18 is being sent in the permitted mode.

The instructions for members for voting electronically are as under:-

(i) The voting period begins on 26.09.2018 at 10 a.m. and ends on 28.09.2018 at 05:00 p.m. During this period shareholders of the Company holding shares either in physical form or in dematerialized form,

as on the cut-off date (record date) of 17.09.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Log on to the e-voting website www.evotingindia.com

(iii) Click on Shareholders

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user, follow the steps given below:

	For Members holding shares in DEMAT Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

After entering these details appropriately, click on "SUBMIT" tab.

(i) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in DEMAT form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

share your password with any other person and take utmost care to keep your password confidential.

(ii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(iii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(iv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(v) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(vi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(vii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(viii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(viii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xiii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code

(A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

(B) **The voting period begins on 26.09.2018 at 10 a.m. and ends on 28.09.2018 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 17.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**

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

GENERAL INSTRUCTIONS FOR VOTING:

a. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
b. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
c. Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072, Address: 801-A, Mahalaya Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
d. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, submit to the Chairman of the Company.
e. Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website www.heeraispat.com and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company. The results shall be communicated to the NSE and BSE Limited and will also be uploaded on website of Stock Exchanges.
f. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17.09.2018, may obtain the login ID and password by sending a request at www.evotingindia.com

By order of the Board of Directors
for HEERA ISPAT LTD

Place: Ahmedabad
Date: 30.05.2018

(DINESHKUMAR RAO)
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06379029

Reg. Office:
206, Ashwarath Complex,
2nd Floor, Opp. Fortune Land Mark Hotel,
Usmanpura, ,Ahmedabad ,
Gujarat ,380013
Tel N0: 91- 079-27550140
Fax: 91- 079-26574354,
E-Mail: info@heeraispat.com
Website: www.heeraispat.com

Corporate Identification Number (CIN):
L27101GJ1992PLC018101

Note: For detailed instructions for e-voting, please visit website of CDSL.

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

In Respect of Item No. 4 Mr. Dineshkumar Rao (DIN: 06379029) has been appointed as Managing Director of the Company for a period of five years commencing from October 1, 2018 and accordingly an agreement is executed between the Company and the Managing Director.

The material provisions of the agreement entered into with Mr. Dineshkumar Rao are as under:

1. The term of Mr. Dineshkumar Rao as Managing Director of the Company shall be for a period of five years commencing from October 1, 2018;
2. Mr. Dineshkumar Rao, without approval of the Board, shall not act as a Key Managerial Personnel of any other Company and shall devote his full time and attention in managing affairs of the Company;
3. Subject to overall superintendence and control of the Board, Mr. Dineshkumar Rao shall exercise all the substantial powers of management concerning to the Company subject to condition that he shall not exercise such powers without approval of the Board of Directors or at General Meeting which, by the provisions of the Companies Act, 2013 or Rules framed there underss;
4. Mr. Dineshkumar Rao as a Managing Director of the Company shall discharge all the duties as may be assigned to him by the Board of Directors of the Company from time to time.

In terms of Articles of Association, Managing Director and Whole time Director are not liable to retire by rotation. However other than Independent Directors, the Company has only 2 Directors and all are Non-Executive Directors designated as Director. Accordingly, the office of Managing Director shall also be liable to retire by rotation.

General Meeting without Payment of any fee. Except Mr. Dineshkumar Rao, or relatives of either, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

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Details of Directors seeking Appointment / Re-appointment at the Forthcoming Annual General Meeting (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2)

Name of Director	Mr. Dineshkumar Rao	Mr. Rameshchandra Mistry
Director Identification Number	06379029	02489175
Qualification	Graduated	Graduated
Terms and conditions of Re-appointment	As Set out in the Agreement with Mr. Dineshkumar Rao	As Set out in the Agreement with Mr. Rameshchandra Mistry
Last Remuneration drawn	NIL	NIL
No. of Equity Shares held in the Company	NIL	1,49,500
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NIL	MR. DHARMESHKUMAR RAMESHCHANDRA MISTRY (Father)
Directorships held in other Companies	1	NIL
Chairmanship/Membership of the committee of the Board of Directors of the Company	**CHAIRMANSHIP :** 1 (Investor Grievance Committee) **MEMBERSHIP:** 3	**CHAIRMANSHIP: NIL** **Membership: 1**
Committee position held in other Companies	NIL	NIL

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ATTENDANCE SLIP

DP ID*		**Folio**	
Client ID*		**No. of Shares**	

NAME AND ADDRESS OF THE SHAREHOLDER

Affix Revenue Stamp

I hereby record my presence at the 26th **ANNUAL GENERAL MEETING** of the Company held on Saturday, 29th September, 2018 at 03:00 P.M. at 206, ASHWARATH COMPLEX, 2ND FLOOR OPP, FORTUNE LANDMARK HOTEL, USMANPURA, AHMEDABAD GUJARAT-380013

Signature of the Shareholder | Proxy
* Applicable for investors holding shares in electronic form.

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Form No. MGT- 11
PROXY FORM
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members:
Registered Address:
E-mail Address:
Folio No. | Client ID: DP Id:
I/we, being the member(s) of _____ shares of HEERA ISPAT LTD, hereby appoint:
1) _____ of _____
having e-mail id _____ or failing him
2) _____ of _____
having e-mail id _____ or failing him
3) _____ of _____
having e-mail id _____ or failing him

HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

206, ASHWARATH COMPLEX, 2ND FLOOR OPP, FORTUNE LANDMARK HOTEL, USMANPURA, AHMEDABAD GUJARAT-380013

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018 at at 03:00 p.m. at 206, ASHWARATH COMPLEX, 2ND FLOOR OPP, FORTUNE LANDMARK HOTEL, USMANPURA, AHMEDABAD GUJARAT-380013 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS
	ORDINARY BUSINESS
1	Adoption of financial statements for the year ended on March 31, 2018
2	Appointment Mr. Rameshchandra Mistry (DIN:02489283), Who retires by rotation and being eligible, offers himself for re-appointment.
3	Appointment of Statutory Auditors M/s. Naresh J. Patel & Co. for the Next Five Financial Years.
	SPECIAL BUSINESS
4	Appointment of Mr. Dineshkumar Rao as a Managing Director of the Company

Signed this …….. Day of …… 2018

……. …… ……

Signature of first proxy Holder | Signature of Second proxy holder | Signature of Third proxy holder

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

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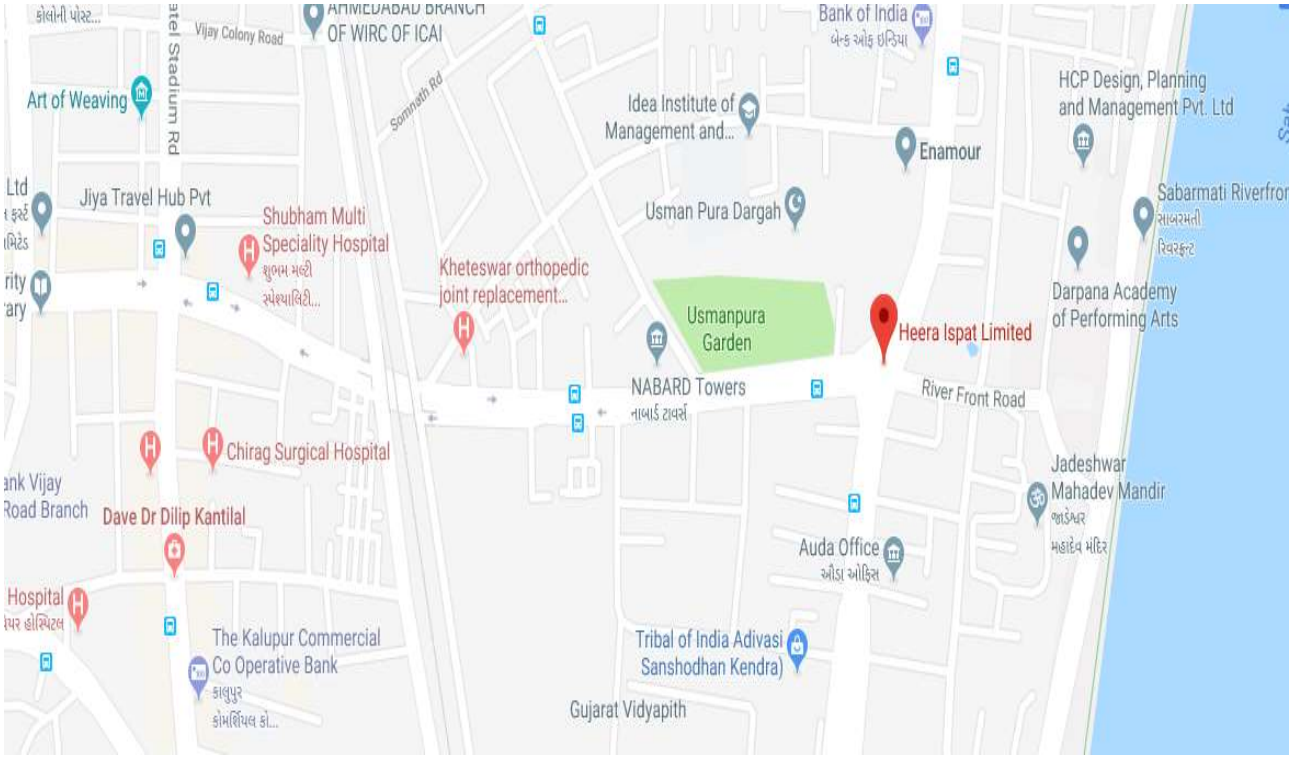
ROUTE MAP TO REACH THE VENUE OF ANNUAL GENERAL MEETING:



DIRECTORS' REPORT

To,
The Members,
HEERA ISPAT LIMITED.

Dear Shareholders,

Your directors have pleasure in presenting herewith the 26th Audited Annual Report for the year ended on 31stMarch, 2018 of your Company.

Financial Results:
The Financial performance of the company during the year is as under:

PARTICULARS	FOR THE YEAR ENDED ON 31/03/2018	FOR THE YEAR ENDED ON 31/03/2017
Income from Sales (Net)	-	-
Other Income	2039286	1354603
Total Income	2039286	1354603
Total Expenses	1071312	9561384
Profit Before Tax	967974	(82,06,781)
Depreciation	-	-
Tax Expenses	63494	181000
Deferred Tax	358330	(2215231)
Provision for FBT.	0	0
Profit / (Loss) After Tax.	546149	(6172551)
Net Profit / (Loss) for the Year	546149	(6172551)

OPERATIONAL OVERVIEW:

During the year the company has earned total income of Rs. 2039286/- compared to Previous year of 1354603/- and total expenses of Rs. 1071312/- compared to Previous year of Rs. 9561384/-. After deduction of depreciation of Rs. NIL (Previous Year Nil), the company has earned a net profit after tax of Rs.546149/- (Previous year: (6172551)/-). Due to challenging environment, the company incurred above mentioned losses. However, the management is optimistic about future growth.

DIVIDEND:
In the view of carried forward losses, Board does not recommend any dividend for the year under review.

PERFORMANCE:
The company has made net profit of Rs. 546149/- at the end of the Financial Year. The company has making net profit during the last two years.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES:
The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

SHARE CAPITAL STRUCTURE:
During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

FIXED DEPOSIT:
The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

REGULATORY STATEMENT:
In conformity with Regulations of SEBI (Listing Obligation and Disclosure Requirement)2015, the Cash Flow Statement for the year ended 31.03.2018 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd. The Company has paid listing fees for the year 2018-19 to BSE.

CORPORATE GOVERNANCE:
The Company's Total paid up equity share capital is less than Rs. 10 crores and its total Net worth is less than Rs. 25 crores, Hence, the Company is being treated as Small Company and as such as per SEBI (LODR) 2015 Regulation Number: 15(2) your company is exempt from making compliance with Regulations No. 17 to 27, Clause- B to I of Sub Regulation 2 of Regulation 45 and Para C, D and E of Schedule V. Accordingly, except the statement on" Management Discussion and Analyses Report," your Directors have though formed the sub Committees of the Board as per requirements of Corporate Governance and they are operational, however, no detailed Report on Compliance with Conditions of Corporate Governance report are given here with. The Company is exempted from providing report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

INTERNAL AUDITOR:

The Company has not appointed an independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

DEMATERIALISATION OF SECURITIES:

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent M/s Skyline Financial Services Pvt. Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE025D01013. Total Share dematerialized up to 31st March 2018 were 4276500 which constitute 73.00% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013:

The Company has not entered into related parties' transactions for sale/purchase of goods or services at preferential prices. However, all the transactions in the nature of sales/purchase of goods or services are made on arm's length basis. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. are given in the notes to the accounts vide note no 31 as per requirements of AS 18. Company has formulated various other policies such as Evaluation of Board Performance Policy etc. All such policies were documented and adopted by the Board in its meeting held on 10th February, 2017.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel.

Management's Discussion and Analysis:

Management's discussion and perceptions on existing business, future outlook of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separately in Corporate Governance Report.

DEPOSITS:

The company has not invited or accepted any Deposit, Loans or finance from the public in violation of section 73(1) of Companies Act 2013 or any rules made there under.

DIRECTORS:

Mr. Rameshchandra T. Mistry shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. He is eligible for Reappointment and offers himself for reappointment.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

DETAILS OF THE BOARD AND GENERAL MEETINGS HELD AND ATTENDANCE OF DIRECTORS AT THE MEETINGS:

During the year, the company held total 5 Board meetings on 30/05/2017, 26/08/2017, 30/09/20217, 14/12/2017 & 14/02/2018. All the Directors were present at all the board meetings to consider various businesses and pass necessary resolutions.

The Company has disclosed all the material information to the stock exchanges and the Registrar of Companies Office in time as per requirements of law and SEBI (LODR) 2015.

Directors present at the Meeting of board:

Date of Meeting	30/05/2017	26/08/2017	30/09/2017	14/12/2017	14/02/2018
Alpesh K. Patel	YES	YES	YES	YES	YES
DHARMESH R. MISTRY	YES	YES	YES	YES	YES
RAMESHCHANDRA MISTRY	YES	YES	YES	YES	YES
RADHESHYAM PATEL	YES	YES	YES	YES	YES
PRAKASH N SHAH	YES	YES	YES	YES	YES
DINESH S. RAO	YES	YES	YES	YES	YES

COMPOSITION OF VARIOUS COMMITTEES WITHIN THE ORGANISATION:

AUDIT COMMITTEE:

The audit committee of the Board of Directors is as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	5
2.	RADHESHYAM RAMPAL PATEL	Member	5
3.	PRAKASH N SHAH	Member	5

(A) FUNCTION OF AUDIT COMMITTEE:

The audit Committee is headed by Alpesh K. Patel as Chairman. He has more than 30 years of Construction experience. He is further assisted by two non executive Independent directors namely Radheshyam R Patel . Prakash N. Shah has business experience over 30 years. He has through knowledge of working, usage and accounting for financial products, which company uses to hedge its underlying exposure.

The Committee meets at least once every quarter and prepares its minutes on the proceedings and business discussed and transacted. The Committee reports and takes action on Internal Auditor's Report. All committee reports and minutes are placed before the Board in all its meetings for information, guidance, directions and record keeping. In addition, the Committee also reviews the reports of the Internal Auditors and obtains guidance from the internal auditors, statutory auditors and other professionals of corporate repute from time to time to make timely compliances and payment of statutory dues.

(B) ROLE AND RESPONSIBILITY OF AUDITCOMMITTEE:

The Committee acts as a bridge between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss and deliberate their suggestions, findings and other related matters. Further, the committee is authorized to, inter alia, monitor, review and evaluate the Auditor's independence, performance and effectiveness of the audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, and review the quarterly, half yearly and annual financial statements before submission to the Board for approval. Further the committee is liable to examine the financial statements and the Auditors' Report thereon, approve transactions of the Company with its related parties including consequent modifications thereof, grant omnibus approvals subject to fulfillment of certain conditions, analyze inter-corporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary. Further, it is also empowered to review the Management Discussion and Analysis of financial condition and results of operations and statement of significant related party transactions. It also looks into any other matter as referred to it by the Board of Directors from time to time.

Generally, all the items stated in Section 177(4) of the Companies Act, 2013 and Point A of Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered under the roles of the Audit Committee. The Audit Committee has been granted powers as prescribed under provisions of the Regulation 18(2)(c) of the aforesaid Regulations and reviews all the information as prescribed in Point B of the Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

(A) TERMS OF REFERENCE:

Shareholders'/Investor Grievance committee looks into investor complaints if any, and redresses the same expeditiously. Beside the committee approves allotment, transfer & transmission of shares, debentures, any new certificates on split \ consolidation \ renewal etc. as may be referred to it by the Board of Directors. In addition the committee also looks in to compliance with stock exchange listing agreement and circulation of shareholder and general public interest information through proper media and stock exchanges from time to time.

(B) FORMATION:

The Shareholders'/Investors Grievance Committee presently comprise all Non Executive Directors. During the year the Committee held 12 meeting (Last Saturday of every month) The Attendance of Members at the Meeting was as follows:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	12
2.	RADHESHYAM RAMPAL PATEL	Member	12
3.	PRAKASH N SHAH	Member	12

(C) FUNCTIONS OF INVESTORS SERVICES COMMITTEE:
The company has merged in this committee its earlier committee of share Transfer. This Committee looks in to all aspects related to Shares, Bonds Securities and retail investors. The committee also looks after the dematerialization process of equity shares. The Committee is also empowered to keep complete records of shareholders, statutory registers relating to shares and securities, maintaining of the complete record of share dematerialized, and complaints received from investors and other various agencies.

The committee meets every month to approve all the cases of shares demat, transfer, issue of duplicate and resolution of the investors' complaints, submission of information to various statutory authorities like NSDL / CDSL, SEBI, stock Exchanges, Registrar of companies periodically. Other roles duties powers etc. have been clearly defined in line with the Regulation 20 of listing obligation and disclosure requirement rules of SEBI and kept flexible by the Board from time to time.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee comprises all 3 independent Directors which are as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	5
2.	RADHESHYAM RAMPAL PATEL	Member	5
3.	PRAKASH N SHAH	Member	5

(A)TERMS OF REFERENCE:
The remuneration committee comprises of all non-executive Independent directors.

(i) To ascertain the requirements of and appointment of Key Managerial personals.
(ii) To prescribe rules, regulations, policy, requirements of qualifications and experience of key managerial personnel.
(iii) To decide the terms of conditions of employment and responsibilities, authorities of all executive directors, Managing Director and to ensure that they discharge their duties diligently and report to Board regularly.

(iv) To fix the remuneration payable to Managing Director, Executive Director, Whole Time Directors.
(v) To decide on distribution of profits as commission amongst various executive and non-executive directors.
(vi) To design, frame and make policy for remuneration payable for key managerial personnel and up to 3rd rank departmental heads by way of issue of shares as ESOP or stock options or otherwise including to provide staff loans/ advances to subscribe to any ESOPs or Stock options by employees of the company.

Further except the cash reimbursement of actual expenses incurred by directors, no other benefits in the form of stock options or ESOP etc. are being offered to any directors of the Company or to any key managerial personnel for the year. As the company has long overdue accumulated losses in its books of accounts; it is not paying any sitting fees or commission of net profit or any other remuneration in kind to any of its directors. The Company does not have any key managerial personnel receiving remuneration of more than Rs. 200,000/- Per Month. The company is regular in labor compliances and payment of statutory labor dues with relevant authorities in time.

Other function roles duties powers etc. have been clearly defined in line with the Regulation 19 of listing obligation and disclosure requirement rules of SEBI and kept flexible for medication by the Board from time to time.

NUMBER OF BOARD AND COMMITTEE MEETING HELD DURING THE YEAR:

Name of the Committee	No. of Meeting held
Board Of Directors	5
Audit Committee of Board	5
Nomination Remuneration Committee	5
Shareholders' /Investor Grievance Committee	12

DECLARATION BY INDEPENDENT DIRECTORS:

(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

(1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
(2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
(3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
(4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company
(5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
(6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lacs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
(7) Who neither himself, nor any of his relatives,
   (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which I\he is proposed to be appointed.
   (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding

the financial years in which he is proposed to be appointed of

(i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
(ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
(iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
(iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
(v) Who possesses such other qualifications as may be prescribed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2017-18, the Board of Directors state:

a) In the preparation of the annual accounts for the financial year ended 31st March 2018, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) The Directors have prepared the annual accounts on a going concern basis; and
e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1) :

In compliance with Section 178 (1) as also in compliance with applicable Regulations of SEBI (LODR), 2015 the Board of Directors does hereby declare that:

a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR), 2015.
b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR), 2015and provisions of the Companies Act 2013.
c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
d. The Company pays managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
e. The Independent Directors are not paid sitting fee.
f. The Company is not paying any commission on net profits to any directors.
g. During the year the Board has met 5 times during the year. The details of presence of every director at each

meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS

1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
2. For these purposes the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors is evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every director at a meeting, effective participation in discussion of each business agenda, feedback receives from every director on draft of the minutes and follow up for action taken reports from first line management.

4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees, the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
5. The performance of independent directors is evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

PARTICULARS OF THE EMPLOYEES:

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are not attached with this report since there was no employee who was in receipt of remuneration in excess of Rs. 8,50,000 per month during the year or Rs. 1.2 Cr. per annum in the aggregate if employed part of the year.

AUDITORS:

STATUTORY AUDITORS:

Appointment of Statutory Auditors M/s. Naresh J Patel & Co., a peer reviewed firm of Chartered Accountants, of the Company for the Next Five Financial Year 2018-19 and to hold the office as such from the date of conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration with the Board of Director in their Meeting.

SECRETARIAL AUDITOR:

The Company has appointed M/s. KAMLESH M. SHAH & CO. as the secretarial auditor for the financial year 2018-19. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE A.

STATUTORY INFORMATION:

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134 of the Companies Act-2013 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy; technology absorption, foreign exchange earnings and outgo are not applicable to the company. As Company is not manufacturing any product or providing any services.

MATERIAL CHANGES / INFORMATION:

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.

2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

APPRECIATION

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

On Behalf of the Board of Directors
heera Ispat Limited

Date: 30th May ,2018
Place: Ahmedabad

Sd/-
(DINESHKUMAR S RAO)
Managing director
(DIN: 06379029)

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ANNEXURE TO THE DIRECTORS REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING ON31/03/2018

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1) **CIN :-** L27101GJ1992PLC018101
2) **Registration date: 05/08/1992**
3) **Name of the company : HEERA ISPAT LIMITED**
4) **Category/ sub-category of the company: Company limited by shares~~/ Indian Non Government Company~~**
5) **Address of the registered office and contact details: 206, Ashwarath Complex, 2nd Floor, Opp. Fortune Landmark Hotel, Usmanpura, Ahmedabad-380013, Gujarat**
6) **Whether listed company: YES**
7) **Name, address and contact details of registrar and transfer agent (if any) :- Skyline Financial Services Pvt. Ltd**
   D-153/A, First Floor,
   Okhla Industrial Area,
   Phase-1, New Delhi
   110 020.
   Tel.: +91 11 26812682-83,
   011-64732681 to 88
   Fax : +91 11 26812682
   Web: www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SR. No.	Name and descriptions main products/ service	NIC Code of the product/ Service	% to Total turnover o the company
1	STEEL MANUFACTURIN	0	0%
2.	INTEREST INCOME	65	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	CONCERN	% of shares held by COMPANY	APPLICABLE SECTION
NIL	NIL	NIL	NIL	NIL	NIL

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

i) Category-wise Share Holding

Category of Shareholders	**No. of Shares held at the beginning of the year[Ason 31-March-2017]**				**No. of Shares held at the end of the year[As on 31-March-2018]**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoter's									
(1) **Indian**									
a) Individual/ HUF	0	1060900	1060900	18.03	0	1060900	1060900	18.03	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	00	0	0	0	00	0	0	0	0
Sub Total (A) (1)	0	1060900	1060900	18.03	0	1060900	1060900	18.03	0
(2) Foreign									
a) NRI- Individual	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0	0	0	0	0
d) Banks. FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0
Total shareholding ofPromoter (A)	0	1060900	1060900	18.03	0	1060900	1060900	18.03	0

=(A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non-Institutions									
a) Bodies Corp.	30442	400	30842	0.52	22683	400	23083	0.52	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	404043	372600	776643	13.20	509556	455500	965056	13.20	0
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3652811	198700	3851511	65.47	3741561	92200	3833761	65.47	0
c) Others (specify)									
Hindu Undivided Families	162904	0	162904	2.77	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**4250200**	**571700**	**4821900**	**81.97**	**4250200**	**571700**	**4821900**	**81.97**	**0**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**4250200**	**571700**	**4821900**	**81.97**	**4250200**	**571700**	**4821900**	**81.97**	**0**
C. Shares held by Custodian for GDRs& ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**4250200**	**1632600**	**5882800**	**100**	**4273800**	**1609000**	**5882800**	**100**	**0**

(ii) Shareholding of promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Dharmesh Mistry	1,15,700	1.97	0	1,15,700	1.97	0	0
2	Hasumati R Mistry	7,95,700	13.53	0	7,95,700	13.53	0	0.00
3	Ramesh Mistry	1,49,500	2.54	0	1,49,500	2.54	0	0
	Total	**10,60,900**	**18.03**	**0**	**10,60,900**	**18.03**	**0**	**0**

(iii) Change in Promoter's Shareholding (Please Specify, If There Is No Change)

There is No change in the shareholding of the promoters during the financial year 2017-18

(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs andADRs)

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Keena M Kothari	384815	6.54	384815	6.54
2	Dimple Shah	211000	3.59	211000	3.59
3	Hetal D Shah	210000	3.57	210000	3.57
4	Rajeshkumar Patel	200000	3.40	200000	3.40
5	Chintan H Chowdary	175000	2.97	175000	2.97
6	KinjalChintanChowdary	175000	2.97	175000	2.97
7	Harilal V Chowdary	175000	2.97	175000	2.97
8	Kamala H Chowdary	175000	2.97	175000	2.97
9	Pankaj Dahyalal Shah	160000	2.72	160000	2.72
10	Daxesh Dahyalal Shah	158000	2.69	158000	2.69
	TOTAL	**2023815**	**34.39**	**2023815**	**34.39**

(v) Shareholding of directors and key managerial personnel:

1	Mr. Rameshchandra Mistry	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,49,500	2.54	1,49,500	2.54
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	(No change)	(No Change)	(No Change)	(No Change)
		-	-	-	-
		-	-	-	-
		-	-	-	-
	At the end of the year	1,49,500	2.54	1,49,500	2.54

2	Mr. Dharmeshkumar Mistry	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,15,700	1.97	1,15,700	1.97
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(No change)	(No Change)	(No Change)	(No Change)
		-	-	-	-
		-	-	-	-
		-	-	-	-
	At the end of the year	1,15,700	1.97	1,15,700	1.97

(vi) INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/~~WTD~~/ ~~Manager~~	Total Amount
		Mr. DINESHKUMAR SAMARATAJI RAO	NIL
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify…	NIL	NIL
5		NIL	NIL
	Total (A)	NIL	NIL

B. *Remuneration to other directors:*

SN.	Particulars of Remuneration				
1	Independent Directors	Mr. Alpesh Patel	Mr. Radheshyam Lodh	Mr. Prakash Shah	
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify(Remuneration)	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL

2	Other Non-Executive Directors	Mr. Dharmeshkumar Mistry	Mr. Rameshchandra Mistry		
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	
	Others, please specify	NIL	NIL	NIL	
	Total (2)	NIL	NIL	NIL	
	Total (B)=(1+2)	NIL	NIL	NIL	
	Total Managerial Remuneration	NIL	NIL	NIL	

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

The Company does not have Company Secretary in Job, CEO/CFO. So they are not paying any Remuneration.

SN	Particulars of Remuneration	Key Managerial Personnel		
		KHYATI D. VYAS	SUHAG V. SHAH	Total
1	Gross salary	N.A.	1,50,000	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	others, specify…	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees Imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	**No**	**No**	**No**	**No**	**No**
punishment	**No**	**No**	**No**	**No**	**No**
compounding	**No**	**No**	**No**	**No**	**No**
B. DIRECTORS					
Penalty	**No**	**No**	**No**	**No**	**No**
punishment	**No**	**No**	**No**	**No**	**No**
compounding	**No**	**No**	**No**	**No**	**No**

C. OTHER OFFICERS IN DEFAULT

Penalty	**No**	**No**	**No**	**No**	**No**
punishment	**No**	**No**	**No**	**No**	**No**
compounding	**No**	**No**	**No**	**No**	**No**

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HEERA ISPAT LIMITED. (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the records of HEERA ISPAT LIMITED ,books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by HEERA ISPAT LIMITED (CIN: L27101GJ1992PLC018101) for the financial year ended on 31.03.2019 according to the provisions of:

(i) The Companies Act, 2013(the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act,1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:
(v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') :-

(a) The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeover)

Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Training)Regulations,1992;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India(Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India(Delisting of Equity Shares)Regulations, 2009 and
(h) The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998;

(vi) As stated in the Annexure – A – all the laws, rules, regulations be applicable specifically to the company.

OTHER LAWS SPECIFICALLY APPLICABLE:

1. Mines Act,1952
2. Mines and Minerals (Development and Regulation) Act,1957
3. Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act,1976
4. Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Fund Act,1976

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India though it is applicable w.e.f 1st day of July 2015 and not mandatory right now is also complied.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchanges.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations.

I/We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executives Directors and Independent Directors The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act. Form DIR 11 and DIR 12 also filed. Except the Company is yet to appoint a Company Secretary and Women Director.

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

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

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

I/We further report that during the audit period the company has not make any

(I) Public/ Right/Preferential issue of shares/ debentures/sweat equity, etc.

(II) Redemption/ buy-back of securities
(III) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
(IV) Merger/ amalgamation/reconstruction etc.
(V) Foreign technical collaborations

Place: Ahmedabad

Date: 30/05/2018

FOR KAMLESH M. SHAH & CO.,

PRACTICING COMPANY SECRETARIES

Sd-
(Kamlesh M. Shah)
ACS: 8356, COP: 2072.

ANNEXURE-A

Securities Laws

1. All Price Sensitive Information was informed to the stock exchanges form time to time
2. All investors complain directly received by the RTA & Company are recorded on the same date of receipts and all are resolved within reasonable time.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are not applicable to Company.

Environmental Laws

As the company is engaged in the manufacturing activities so the Environmental laws are applicable to the company.

1. The Company is not discharging the contaminated water at the public drains/ rivers. The Company has efficient water treatment plants at its factory premise.
2. The Company has been disposing the hazardous waste as per applicable rules.

Taxation Laws

The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

Place: Ahmedabad

Date: 30/05/2018

FOR KAMLESH M. SHAH & CO.,

PRACTICING COMPANY SECRETARIES

Sd-
(Kamlesh M. Shah)
ACS: 8356, COP: 2072.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
HEERA ISPAT LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **HEERA ISPAT LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.(herein after refer to as "Standalone Ind AS Financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of The Act read with relevant rules there under.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. We have taken into account the provisions of theAct, 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. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 Ind AS Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its Financial performance including Other Comprehensive Income, its Cash Flows and the Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of section 143(11) of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us , we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order.

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

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

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

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

    d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.

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

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

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

    i. There were no pending litigations which would impact the financial position of the company.

    ii. In our opinion and as per the information and explanation provided to us the Company

has not entered into any long-term contracts including derivatives contract, requiring provision under applicable laws or accounting standards, for material foreseeable losses.

iii. The company is not required to transfer any amount to Investor Education and Protection Fund.

For DJNV & CO.
Chartered Accountants
Firm Regn. No. 115145W

Place : Ahmedabad
Date : 30/05/2018

Devang Doctor
(Partner)
M. No. 039833

ANNEXURE A TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of **HEERA ISPAT LIMITED** for the year ended on 31st March, 2018, we report that:

(1) The company has no fixed assets, thus the clause 3(I) (a), (b) and (c) are not applicable to the company.

(2) As explained to us, the company has not been engaged during the year in any activity which involves inventory hence verification of stock and other related matters are not applicable .

(3) According to the information and explanation given to us and on the basis of our examination of books of account, the company has not granted any loans, secured or unsecured to the parties covered in the register maintained U/s 189 of the companies act, 2013. Accordingly ,clause(III) (a),(b) and (c) of the order are not applicable.

(4) According to the information and explanation given to us , the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly the provisions of Clause 3(iv) of the order are not applicable to the company

(5) According to the information and explanation given to us and on the basis of our examination of books of account, the company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable,

(6) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of CARO 2016 is not applicable.

(7) (a) According to the records of the company undisputed statutory dues including provident fund, income tax , service tax, value added tax, cess, excise duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance & custom duty .According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.

(8) The company has neither taken any loans or borrowing from a financial institution, bank, Government nor has issued debentures..

(9) The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provision of Clause 3(ix) of the order are not applicable to the company

(10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us ,we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

(11) According to the information provided , managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.

(12) The company is not declared as Nidhi Company moreover the company does not function on the lines of Nidhi company hence the said clause of the Order is not applicable.

(13) As per the information and explanation provided, the company has not entered any transactions with the related parties that require approval under section 177 and 188 of Companies Act, 2013 and the rules thereunder. Hence clause (xiii) of the order is not applicable.

(14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause XIV is not applicable.

(15) The company has not entered any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable

(16) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Hence this clause is not applicable.

For DJNV & CO.

Chartered Accountants
Firm Regn. No. 115145W

Devang Doctor
(Partner)
M. No. 039833

Place : Ahmedabad
Date : 30/05/2018

Annexure–B to the Independent Auditors' Report of even date on Ind AS financial statements of Heera Ispat Limited- 31 March 2018.

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

We have audited the internal financial controls over financial reporting of Heera Ispat Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

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

Meaning of Internal Financial Controls over Financial Reporting:

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

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

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

For DJNV & CO.
Chartered Accountants
Firm Regn. No. 115145W

Place : Ahmedabad
Date : 30/05/2018

Devang Doctor
(Partner)
M. No. 039833

HEERA ISPAT LTD

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PREPARED BY

DJNV & CO.

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DJNV & CO
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
HEERA ISPAT LIMITED
Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **HEERA ISPAT LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.(herein after refer to as "Standalone Ind AS Financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of The Act read with relevant rules there under.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. We have taken into account the provisions of theAct, 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. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 Ind AS Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the

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

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Colour Lab, Stadium Circle,
Navrangpura, Ahmedabad - 380009.
Phone : 48934455,
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its Financial performance including Other Comprehensive Income, its Cash Flows and the Changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of section 143(11) of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us , we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order.

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

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

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

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

    d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued there under.

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

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

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



i. There were no pending litigations which would impact the financial position of the company.

ii. In our opinion and as per the information and explanation provided to us the Company has not entered into any long-term contracts including derivatives contract, requiring provision under applicable laws or accounting standards, for material foreseeable losses.

iii. The company is not required to transfer any amount to Investor Education and Protection Fund.

For DJNV & CO.
Chartered Accountants
Firm Regn. No. 115145W

Devang Doctor
(Partner)
M. No. 039833

Place : Ahmedabad
Date : 30/05/2018

ANNEXURE A TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of **HEERA ISPAT LIMITED** for the year ended on 31st March, 2018, we report that:

(1) The company has no fixed assets, thus the clause 3(I) (a), (b) and (c) are not applicable to the company.

(2) As explained to us, the company has not been engaged during the year in any activity which involves inventory hence verification of stock and other related matters are not applicable .

(3) According to the information and explanation given to us and on the basis of our examination of books of account, the company has not granted any loans, secured or unsecured to the parties covered in the register maintained U/s 189 of the companies act, 2013. Accordingly ,clause(III) (a),(b) and (c) of the order are not applicable.

(4) According to the information and explanation given to us , the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly the provisions of Clause 3(iv) of the order are not applicable to the company

(5) According to the information and explanation given to us and on the basis of our examination of books of account, the company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable,

(6) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of CARO 2016 is not applicable.

(7) (a) According to the records of the company undisputed statutory dues including provident fund, income tax , service tax, value added tax, cess, excise duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance & custom duty .According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid



dues were outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.

(h) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.

(8) The company has neither taken any loans or borrowing from a financial institution, bank, Government nor has issued debentures..

(9) The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provision of Clause 3(ix) of the order are not applicable to the company

(10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us ,we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.

(11) According to the information provided , managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.

(12) The company is not declared as Nidhi Company moreover the company does not function on the lines of Nidhi company hence the said clause of the Order is not applicable.

(13) As per the information and explanation provided, the company has not entered into any transactions with the related parties that require approval under section 177 and 188 of Companies Act, 2013 and the rules thereunder. Hence clause (xiii) of the order is not applicable.

(14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause XIV is not applicable.



(15) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable

(16) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Hence this clause is not applicable.

For DJNV & CO.
Chartered Accountants
Firm Regn. No. 115145W

Devang Doctor
(Partner)
M. No. 039833

DJNV & CO. F.R.N. 115145W AHMEDABAD CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 30/05/2018

Annexure-B to the Independent Auditors' Report of even date on Ind AS financial statements of Heera Ispat Limited- 31 March 2018.

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

We have audited the internal financial controls over financial reporting of Heera Ispat Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

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

Meaning of Internal Financial Controls over Financial Reporting:

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



(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

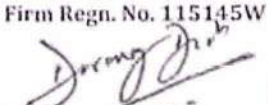
Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

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

For DJNV & CO.
Chartered Accountants
Firm Regn. No. 115145W



Devang Doctor
(Partner)
M. No. 039833



Place : Ahmedabad
Date : 30/05/2018

HEERA ISPAT LIMITED

Balance sheet as on 31st march 2018

Particulars	Notes	As at 31st March 2018	As at 31st March 2017	As at 1st March 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment				
(b) Capital work-in-progress				
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible assets				
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets				
(i) Investments	2	177,10,630	162,48,285	-
(ii) Trade receivables				
(iii) Loans	3	155,27,268	161,78,517	409,04,517
(iv) Others (to be specified)				
(i) Deffered Tax Assets	4	18,95,236	22,53,567	-
(j) Other non current assets				
Current assets				
(a) Inventories				
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivable				
(iii) Cash and cash equivalents	5	3,49,919	4,01,473	2,06,664
(iv) Bank balances other than (iii) above				
(v) Loans				
(vi) Others (to be specified)				
(c) Current Tax Assets (Net)	6	57,695	-	-
(d) Other current assets				
TOTAL ASSETS		355,40,748	350,73,841	411,11,181
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	7	588,28,000	588,28,000	588,28,000
(b) Other Equity	8	(235,41,516)	(240,87,665)	(179,15,114)
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities				
(b) Provisions				
(c) Deferred tax liabilities (Net)				
(d) Other non-current liabilities				
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables	9	51,994	-	-
(iii) Other financial liabilities (other than those specified in item (c)				
(b) Other current liabilities				
(c) Provisions	10	2,02,270	2,57,976	1,50,586
(d) Current Tax Liabilities (Net)	11	-	75,530	47,710
TOTAL EQUITY AND LIABILITIES		355,40,748	350,73,841	411,11,181
Summary of Significant Accounting Policies	1			

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith
For BJNV & CO.
Chartered Accountants
Firm Reg. No. 115145W

Devang Doctor
(Partner)
M. No. 35833

Place : Ahmedabad
Date : 30/05/2018

For Heera Ispat Ltd.

Dinesh Rao
Director

Prakash N. Shah
Director

Place : Ahmedabad
Date : 30/05/2018

HEERA ISPAT LIMITED

Profit and loss statement for the year ended31st march 2018

Particulars	Notes	As at 31st March 2018	As at 31st March 2017
Revenue from operations		-	-
Other income	12	20,39,286	13,54,603
Total Income		20,39,286	13,54,603
Expenses			
Cost of materials consumed			
Purchases of Stock-in-Trade			
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress			
Employee benefits expense	13	3,12,000	1,50,000
Excise Duty			
Finance costs	14	-	87,51,715
Depreciation and amortization expense			
Listing Fees		287500	229000
Other expenses	15	4,71,812	4,30,669
Total expenses		10,71,312	95,61,384
Profit/(loss) before exceptional items and tax		9,67,974	(82,06,781)
Exceptional Items		-	-
Profit/(loss) before tax		9,67,974	(82,06,781)
Tax expense:			
Current tax		-	1,81,000
Incometax of earliar year		63,494	38,336
Deferred tax		3,58,330	(22,53,567)
Profit (Loss) for the period from continuing operations		5,46,149	(61,72,551)
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Profit/(loss) for the period		5,46,149	(61,72,551)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to iteams that will not be reclassified to profit and loss account		-	-
		-	-
Total Comprehensive Income for the period		5,46,149	(61,72,551)
Earnings per equity share (for continuing operation):			
Basic		0.09	(1.05)
Diluted		0.09	(1.05)
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith
For DJNV & CO.
Chartered Accountants
Firm Reg. No. 115145W

Devang Desai
(Partner)
M. No. 39833

Place : Ahmedabad
Date : 30/05/2018

For Heera Ispat Ltd.

Dinesh Rao
Director

Prakash N. Shah
Director

Place : Ahmedabad
Date : 30/05/2018

Heera Ispat Limited

CASH FLOW STATEMENT FOR THE YEAR 2017-18

PARTICULARS		31-Mar-18 Amt (Rs)	31-Mar-17 Amt (Rs)
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Profit before tax		9,67,974	(82,06,781)
Non-cash adjustment to reconcile profit before tax to net cash flows			
ADD: Depreciation		-	-
Finance cost expense on investment measured at Amortised Cost		-	87,51,715
LESS:		-	-
Incometax Of Earlier Year		63,494	38,336
Interest Income Using Effective Interest Method		14,62,346	
Operating Profit before Working Capital Changes		(5,57,866)	5,06,598
Movement in Working Capital :			
(Increase) / Decrease in Short term provisions		(55,706)	1,07,390
(Increase) / Decrease in Loans & Advances and Deposits		6,43,249	247,34,000
(Increase)/ Decrease in other current liability		-	-
(Increase) / Decrease in trade payable		51,994	
(Increase)/ Decrease in Short term borrowings		-	
(Increase) / Decrease in Other Current Asset/current tx liability		(75,530)	27,820
(Increase) / Decrease in Other Current Asset/current tx (asset)		(57,695)	
Cash generated from / (used in) operations		5,06,312	248,69,210
Income Tax Paid		-	1,81,000
Net Cash Flow From / (Used in) Operating Activities	**(A)**	(51,554)	251,94,808
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase Of Investment/Efect of Ind AS Adjustment			(250,00,000)
Net Cash Flow From / (Used in) Investing Activities	**(B)**	-	(250,00,000)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from share capital		-	
Proceeds from Loan Fund		-	-
Loan Repaid		-	
Net Cash Flow From / (Used in) Financing Activities	**(C)**	-	-
Net Increase/ (Decrease) in Cash & Cash Equivalent	**(A+B+C)**	(51,554)	1,94,809
Cash & Cash Equivalents at the beginning of the year		4,01,473	2,06,664
Cash & Cash Equivalents at the end of the year		3,49,919	4,01,473

The above Cash Flow Statement has been prepared under the "Indirect Method" as set in the Accounting Standard (Ind AS-7) Statements of Cash Flow.

The amendment to Ind AS 7 Cash Flow Statement requires the entities to provide disclosures that enable users of the financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow 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 requirements. There is no impact on the financial statements due to this amendment.

As per our report of even date
For. DJNV & CO.
Chartered Accountants
Firm Reg. No. 115145W

Devang Director
(Partner)
M. No. 39833

Place : Ahmedabad
Date : 30/05/2018

DJNV & CO. FRN 115145W AHMEDABAD

For. HEERA ISPAT LTD.

Dinesh Rao
Director

Prakash N. Shah
Director

Place : Ahmedabad
Date : 30/05/2018

Reconciliation of Other Equity as at 31st March 2018

Particulars	Reserves and Surplus				Other Comprehensive Income				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the reporting period	-	-	-	(240,87,665)	-	-	-	-	(240,87,665)
Depreciation transferred (to)/from Revaluation Reserve	-	-	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-
Loss on Mark to Market of Hedging Instruments designated and effective as Hedges of Future Cash Flow	-	-	-	-	-	-	-	-	-
Adjustments as per Ind AS	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	5,46,149	-	-	-	-	5,46,149
Balance at the end of the reporting period	-	-	-	(235,41,516)	-	-	-	-	(235,41,516)

Reconciliation of Other Equity as at 31st March 2017

Particulars	Reserves and Surplus				Other Comprehensive Income				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedge	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Remeasurements of Defined Benefit Plans	
Balance at the beginning of the reporting period	-	-	-	(179,15,114)	-	-	-	-	(179,15,114)
Depreciation transferred (to)/from Revaluation Reserve	-	-	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-
Loss on Mark to Market of Hedging Instruments designated and effective as Hedges of Future Cash Flow	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	(61,72,551)	-	-	-	-	(61,72,551)
Balance at the end of the reporting period	-	-	-	(240,87,665)	-	-	-	-	(240,87,665)

As per our report of even date attached herewith.
For DJNV & CO.
Chartered Accountants
Firm Reg. No. 115145W

Devang Thakkar
Partner
M. No. 119833

Place : Ahmedabad
Date:30/05/2018

For Heera Ispat Ltd.

Dinesh Rao
Director

Prakash P. Shah
Director

Place : Ahmedabad
Date:30/05/2018

Heera Ispat Limited
Notes to Financial statements for the year ended 31st March 2018

Note 1 Statement of significant Accounting policies and practices

A. General Information

Heera Ispat Limited is the Ahmedabad Guarat Based Public Limited company incorporated under the provision of Companies act,1956. The Objective of the business of the company is to carry on business of manufacturing of all types of steels,alloys MS, SS, Alluminium,etc. and such other as stated in the object clause of MOA of the Company.

B. Significant Accounting policies

B.1. Statement of compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind Ass) notified under the Companies (Indian Accounting Standards) Rules, 2015.Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer Note 2 for the details of first-time adoption exemptions availed by the Company.

B.2. Basis of accounting

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

C. Property, Plant and Equipment (PPE)

i. Recognition and Measurement

PPE is recognised 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

Ind AS 101, Appendix, D provides exemptions which are at the option of the company, whether to avail that option or not. By availing that option company need not have to follow that particular Ind AS retrospectively. One of such exemption is also available with respect to Property, plant and equipment.

Company can choose the option of previous GAAP carrying amount as deemed cost or Fair value of asset on the date of opening balance sheet date as deemed cost. If company decides to not to take any of the option then in that case Ind AS - 16 needs to be applied retrospectively.
Company has not availed any of the exemptions given under Ind AS - 101 for property, plant and equipment.

iv. Depreciation/Amortisation

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

D. Use of Estimates and Judgements

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 disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Estimation of Useful life of Property, plant and equipment and intangibles
- Estimation of taxes
- Estimation of impairment
- Estimation of provision and contingent liabilities

E. Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. In case of interest free or concession loans given to subsidiary companies, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Financial assets

Classification

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

1. Investment in preference shares of the companies are measured at Amortised Cost i.e. Effective Interest Cost Method permissible under Ind AS 109.



Initial measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

-Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.

-Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measuredat FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case ofequity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

Derecognition

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

Financial Liabilities

i) Classification, Subsequent Measurement and Gains and Losses

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method

Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit or loss.

F. Offsetting financial instruments

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

I. Revenue recognition

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable

(i) Revenue From Operations

Revenue includes excise duty and adjustments made towards liquidated damages and price variation wherever applicable. Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

(A) Sale of Goods

Revenue from the sale of manufactured and traded goods is recognised when the goods are delivered and titles havebeen passed, provided all the following conditions are satisfied:

(1.) Significant risks and rewards of ownership of the goods are transferred to the buyer;

(2.) The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the good sold;

(3.) The amount of revenue can be measured reliably;

(4.) It is probable that the economic benefits associated with the transaction will flow to the company; and

(5.) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(E) Other Income

(1.) Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

(2.) Dividend income is accounted in the period in which the right to receive the same is established.

(3.) Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

J. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

K. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

a) the company has a present obligation (legal or constructive) as a result of a past event;

b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Department appeals, in respect of cases won by the Company, are also considered as Contingent Liabilities.

L. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

M. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

N. Recent Accounting Pronouncements

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes
5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

Ind AS 115, Revenue from Contract with Customers: On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

NOTE-02 NON CURRENT INVESTMENT

Particulars	Numbers	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Investments recognized at Amortised Cost	25,00,000	177,10,630	161,40,265	
		177,10,630	161,40,265	
TOTAL		177,10,630	161,40,265	

NOTE - 03 LOANS & ADVANCES

Particulars	Long Term			Short Term		
	As at 31 March 2018	As at 31 March 2017	As at 1st April 2016	As at 31 March 2018	As at 31 March 2017	As at 1st April 2016
	Amt. (Rs.)	Amt. (Rs.)	Amt. (Rs.)	Amt. (Rs.)	Amt. (Rs.)	Amt. (Rs.)
(A) Capital Advances						
Unsecured, Considered Good	-	-				
(A)	-	-	-	-		
(B) Advances Recoverable in Cash or Kind						
Unsecured, Considered Good	-	-				
	-	-	-	-		
(C) Other Loans & Advances						
(i) Other Advances - Unsecured Considered Good	155,27,268	161,70,517	409,04,517			
	155,27,268	161,70,517	409,04,517	-		
TOTAL (A+B+C)	155,27,268	161,70,517	409,04,517	-		

NOTE - 04 DEFERRED TAX ASSET

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Fair Value of Financial Instrument	18,95,236	22,53,567	
TOTAL	18,95,236	22,53,567	

Movement in Deferred Tax Assets

For the year ended on March 31, 2017

Particulars	As at 1st April 2016	Credit/(charge) in the Statement of	Credit/(charge) in Other Comprehensiv	As at 31 March 2017
Fair Value of Financial Instrument	-	22,53,566.70		
TOTAL	-	22,53,567	-	22,53,567

For the year ended on March 31, 2018

Particulars	As at 31 March 2017	Credit/(charge) in the Statement of Profit and	Credit/(charge) in Other Comprehensive Income	As at 31 March 2018
Fair Value of Financial Instrument	22,53,567	(3,58,331)		
TOTAL	22,53,567	(3,58,331)	-	18,95,236

COMPONENTS OF INCOME TAX EXPENSE

The major component of income tax expense for the year ended on March 31, 2018 and March 31, 2017 are as follows:

Particulars	As at 31 March 2018	As at 31 March 2017
Statement of Profit and Loss		
Current tax		
Current income tax		
Adjustment of tax relating to earlier periods		
Deferred tax		
Deferred tax expense		
	-	
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses		
Debt instruments carried at FVTOCI		
	-	
Income tax expense as per the statement of profit and loss		

RECONCILIATION OF EFFECTIVE TAX

Particulars	As at 31 March 2018	As at 31 March 2017
Profit before tax	9,67,974	(82,06,281)
Tax @ 25.75% (PY: 29.87%)	2,49,253	(24,51,266)
Adjustments for:		
Deferred tax rate being different from current tax	70,771	(4,57,070)
Prior Period Tax	83,494	46,136
Deferred tax not recognised on c/f loss		(28,484)
Others	38,306	64,307
Tax expense / (benefit)	4,21,824	(29,36,231)
Effective Tax Rate	43.578%	24.787%

NOTE - 05 CASH AND CASH EQUIVALENTS

Particulars	Non Current			Current		
	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Cash and Cash Equivalents						
Balances with Bank:						
- In Current Accounts	-	-	-	1,30,426	3,97,380	2,81,571
Cash on Hand	-	-	-	2,19,493	4,093	5,473
TOTAL	-	-	-	3,49,919	4,01,473	2,86,661

NOTE - 06 CURRENT TAX ASSET

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Advance tax/ TDS	57,695		
Provision for Tax	-		
TOTAL	57,695	-	-

NOTE - 07 SHARE CAPITAL

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
a) Authorised Shares:			
6,000,000 (P.Y.6,000,000) Equity Shares of Rs.10/-	600,00,000	600,00,000	600,00,000
	600,00,000	600,00,000	600,00,000
b) Issued, Subscribed & Fully Paid-up Shares:			
5,882,800 (P.Y.5,882,800- Equity Shares of Rs. 10/- each fully paid up	588,28,000	588,28,000	588,28,000
TOTAL	588,28,000	588,28,000	588,28,000

The company has only one class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company,the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 3% shares as at 31/03/2018 and 30/06/2017 is set out below.

Name of Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Keena Kothari	7,94,915	6.54%	7,94,915	6.54%	7,94,915	6.54%
Hasumati Mistry	7,95,700	13.53%	7,95,700	13.53%	7,95,700	13.53%

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2018 & 31/03/2017 is set out below

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares	Amt. (Rs.)	No. of shares	Amt. (Rs.)	No. of shares	Amt. (Rs.)
Shares at the beginning	58,82,800	588,28,000	58,82,800	588,28,000	58,82,800	588,28,000
Addition	-		-			
Deletion	-	-	-	-	-	
Shares at the end	58,82,800	588,28,000	58,82,800	588,28,000	58,82,800	588,28,000

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NOTE - 08 OTHER EQUITY

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Retained Earnings			
Balance as per last Financial year	(240,87,665)	(179,15,114)	(105,25,11[illegible])
Add : Profit for the year	5,46,149	(61,72,551)	[illegible]
Net Surplus/ (Deficit) in the Statement of Profit and Loss	(235,41,516)	(240,87,665)	(179,15,114)
Other Comprehensive Income			
TOTAL	-	-	

NOTE - 09 TRADE PAYABLES

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2017 Amt. (Rs.)
Trade Payables	51,994	-	
TOTAL	51,994	-	

NOTE - 10 PROVISIONS (CURRENT)

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2017 Amt. (Rs.)
Provisions	2,02,270	2,57,976	1,50,5[illegible]
TOTAL	2,02,270	2,57,976	1,50,5[illegible]

NOTE - 11 CURRENT TAX LIABILITY

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)	As at 1st April 2016 Amt. (Rs.)
Provision for Tax	-	1,81,000	[illegible]
Advance tax/ TDS	-	1,05,470	[illegible]
TOTAL	-	75,530	47,710

NOTE - 12 OTHER INCOME

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)
Interest Income	5,76,940	13,54,603
Interest Income using effective interest rate method	14,62,346	
TOTAL	20,39,286	13,54,603

NOTE - 13 EMPLOYEE BENEFIT EXPENSE

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)
Directors Remuneration	1,50,000	1,50,000
Salary & Wages	1,62,000	
Staff Welfare Expenses		
TOTAL	3,12,000	1,50,000

NOTE - 14 FINANCE COST

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)
Interest Cost Using Effective Interest cost Method on Investment measured at Amortised Cost	-	87,51,715
TOTAL	-	87,51,715

NOTE - 15 OTHER EXPENSE

Particulars	As at 31 March 2018 Amt. (Rs.)	As at 31 March 2017 Amt. (Rs.)
General Charges	4,800	19,124
Legal and Professional Charges	2,82,214	2,08,545
Office Rent	72,000	1,88,000
Office expense	12,600	
Stamp expense	62,500	
Telephone expense	9,000	
Payment to Auditors		
Audit Fees	29,500	23,000
TOTAL	4,71,812	4,30,669

E.R.N. [illegible]W AHMEDABAD CHARTERED ACCOUNTANTS

Note 16 : Financial assets and liabilities

Financial assets by category

(Rupees in Lacs)

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in												
- Mutual fund - Quoted												
- Equity shares - Quoted												
- Equity shares - Unquoted												
- Preference shares - Unquoted				177,10,630				162,48,285				-
Trade receivables												409,04,517
Loans				155,27,268				161,70,517				2,06,664
Cash & cash equivalents (including other bank balances)				3,49,919				4,01,473				
Other financial assets												
- Others												
Total Financial assets	-	-	-	335,87,817	-	-	-	328,20,274	-	-	-	411,11,181

Financial liabilities by category

(Rupees in Lacs)

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings												
Trade payables				51,994								
Other financial liabilities												
- Other financial liabilities												
Total Financial liabilities	-	-	-	51,994	-	-	-	-	-	-	-	-

Fair Value Hierarchy disclosure is not given since no financial instrument is measured FVTPL/FVTOC as on 1st April, 2016, 31st March, 2017 and 31st March, 2018.



Note 17 : Financial risk management

The Company's principal financial liabilities comprise of trade payables and other financial liabilities.
The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in financial instruments for speculative purposes may be undertaken.

1. *Market Risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or Net asset value("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.
The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates does not arise since company is not exposed to external borrowings.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates does not arise, since company does not deal in exports.

Other market risks

The company does not have any investemnt in Quoted investments and hence Price risk does not arise.

2 *Credit Risk*

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

3 *Liquidity Risk*

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.
The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended						
March 31, 2018						
Trade & other payables	-	51,994	-	-	-	51,994
Other financial liabilities	-	-	-	-	-	
March 31, 2017						
Trade & other payables	-	-	-	-		
Other financial liabilities	-	-	-	-		
April 1, 2016						
Trade & other payables	-	-	-	-		
Other financial liabilities	-	-	-	-		

Note 18 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves.
The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 1, 2016.

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Note 22

First Time Adoption of Ind AS

The company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017 with a transition date of 1st April, 2016. These separate financial statements for the year ended 31st March, 2018 are the first the company has prepared under Ind AS.

For all periods upto and including the year ended 31st March, 2017, the company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the company has availed certain exemptions and exceptions in accordance with Ind AS 101 as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in other equity (retained earnings or another appropriate category of equity). This note explains the adjustments made in restating its Previous GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

(A) Mandatory Exceptions to retrospective application

The company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

1. Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after accounting policies), unless there is an objective evidence that those estimates were in error.

Ind AS estimates as at 1 April, 2016 are consistent with the estimates as at same date made in conformity with previous GAAP. The group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

-Investments in equity instruments carried at FVTPL

-Impairment of financial assets based on expected credit loss model.

2. Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

(B) Optional Exemptions from retrospective application

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1. Fair value measurement of financial assets or financial liabilities

C. Transition to Ind AS – Reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

The presentation requirement under IGAAP differs from Ind AS and hence the IGAAP information has been reclassified for ease of reconciliation with Ind AS. The reclassified IGAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2016 and March 31, 2017.

The following reconciliations provide the explanations and quantification of the differences arising from the transition from 'Previous GAAP' to Ind AS in accordance with Ind AS 101:



Reconciliation of equity as at 1 April, 2016

Particulars	Notes	As per IGAAP	Ind AS Adjustments	As per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment				
(b) Capital work-in-progress				
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible assets				
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets				
(i) Investments				
(ii) Trade receivables		409,04,517		
(iii) Loans				
(iv) Others (to be specified)				
(i) Deffered Tax Assets				
(j) Other non current assets				
Current assets				
(a) Inventories				
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivable				
(iii) Cash and cash equivalents		2,06,664		
(iv) Bank balances other than (iii) above				
(v) Loans				
(vi) Others (to be specified)				
(c) Current Tax Assets (Net)				
(d) Other current assets				
TOTAL ASSETS		411,11,181	-	
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		588,28,000		
(b) Other Equity		(179,15,114)		
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities				
(b) Provisions				
(c) Deferred tax liabilities (Net)				
(d) Other non-current liabilities				
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (c)		1,50,585		
(b) Other current liabilities		47,710		
(c) Provisions				
(d) Current Tax Liabilities (Net)				
TOTAL EQUITY AND IABILITIES		411,11,181	-	

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.



Reconciliation of equity as at 31 March, 2017

Particulars	Notes	As at 31st March 2017	Ind AS Adjustments	As per Ind AS
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment				
(b) Capital work-in-progress				
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible assets				
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets		250,00,000	(87,51,715)	162,48,285
(i) Investments				
(ii) Trade receivables		161,70,517		161,70,517
(iii) Loans				
(iv) Others (to be specified)			22,53,562	22,53,562
(i) Deffered Tax Assets				
(j) Other non current assets				
Current assets				
(a) Inventories				
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivable		4,01,473		4,01,473
(iii) Cash and cash equivalents				
(iv) Bank balances other than (iii) above				
(v) Loans				
(vi) Others (to be specified)				
(c) Current Tax Assets (Net)				
(d) Other current assets				
TOTAL ASSETS		415,71,990	(64,98,149)	350,73,841
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		500,28,000		500,28,000
(b) Other Equity		(175,89,517)	(64,98,149)	(240,87,666)
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities				
(b) Provisions				
(c) Deferred tax liabilities (Net)				
(d) Other non-current liabilities				
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (c)				
(b) Other current liabilities		2,57,976		2,57,976
(c) Provisions		75,530		75,530
(d) Current Tax Liabilities (Net)				
TOTAL EQUITY AND IABILITIES		415,71,990	(64,98,149)	350,73,841

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.



Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Note No.	Amount (IGAAP)	Ind AS Adjustment	Amount (Ind AS)
Revenue from operations				-
Other income		13,54,603		13,54,603
Total Income		13,54,603		13,54,603
Expenses				
Cost of materials consumed				-
Purchases of Stock-in-Trade				-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress				-
Employee benefits expense		1,50,000		1,50,000
Excise Duty				-
Finance costs			87,51,715	87,51,715
Depreciation and amortization expense				-
Other expenses		6,59,669		6,59,669
Total expenses		8,09,669	87,51,715	95,61,384
Profit/(loss) before exceptional items and tax		5,44,934	(87,51,715)	(82,06,781)
Exceptional items		-	-	-
Profit/(loss) before tax		5,44,934	(87,51,715)	(82,06,781)
Tax expense:				
Current tax		1,81,000		1,81,000
Deferred tax			(22,53,567)	(22,53,567)
Income tax of Earlier Year		38,336		38,336
Profit (Loss) for the period from continuing operations		3,25,598	(64,98,149)	(106,79,684)
Profit/(loss) from discontinued operations		-	-	-
Tax expense of discontinued operations		-	-	-
Profit/(loss) from Discontinued operations (after tax)		-	-	-
Profit/(loss) for the period		3,25,598	(64,98,149)	(106,79,684)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss (Net of tax)		-	-	-
Items that will be reclassified to profit or loss (Net of tax)				
Total Comprehensive Income for the period		3,25,598	(64,98,149)	(106,79,684)

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Fair value of Investemt in Preferance Share

Under previous GAAP, investment in Preferance Share were were carried at lower of cost or fair value.Under Ind AS these investments are measured at fair value on initial measurement. On subsequent measurement, investment in preference shares are measured at Amortsed Cost Accordingly, resulting fair value change of these investments have been recognised in finance cost/income as at the date of transition and subsequently in the Profit & Loss account for the year ended 31st March, 2017.

Deferred Tax

Under previous GAAP, Deferred Taxes were recognised based on Profit & Loss approach i.e.tax impact on difference between the accounting income and taxable income. Under Ind AS, Deferred Tax is recognised by following Balance Sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective tax base.

Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

For DJNV & Co.
Chartered Accountants
FRN No.: 115145W

DJNV & CO. F.R.N. 115145W AHMEDABAD CHARTERED ACCOUNTANTS

Devang Doctor
Partner
M.No. 039833

Date : 30/05/2018
Place : Ahmedabad

For and on behalf of the Board of Directors

For, HEERA ISPAT LTD.

Dinesh Rao
Director

Prakash N. Shah
Director

Place : Ahmedabad
Date : 30/05/2018

HEERA ISPAT LTD.

NOTE 23 - EARNINGS PER SHARE

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Net Profit / (Loss) attributable to shareholders	5,46,149	(61,72,551)
Weighted average no. of. Equity Shares	5882800	5882800
Basic earning per share	0.09	(1.05)

NOTE 24 - RELATED PARTY DISCLOSURE

Related Parties with whom transactions have taken place during the year

Key Managerial Personnel

1) Ramesh Mistry
2) Dharmesh Mistry
3) Alpesh Patel
4) Dinesh Rao
5) Radheshyam Lodha
6) Ramanugrah Rambahalsingh
7) Suhag V. Shah
8) Prakash N Shah

Name	Relationship	Nature of transaction	Transaction during the year		Outstanding Amount	
			2018	2017	2018	2017
Suhag Shah	Director	Remmuneration	1,50,000		-	-

NOTE 25 - Dues to Micro and Small Enterprises as defined under the MSMED Act , 2006

There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006

For, DJNV & Co.
Chartered Accountants
Firm Reg. No.: 115145W

Devang Doctor
(Partner)
M.No.:38933

DJNV & CO. F.R.N 115145W AHMEDABAD CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 30/05/2018

For, Heera Ispat Ltd.

Dinesh Rao
Director

Prakash N. Shah
Dircetor

Place : Ahmedabad
Date : 30/05/2018