GOODLUCK

Goodluck India Limited
(Formerly GOOD LUCK STEEL TUBES LIMITED)
Corp. Office : "GOODLUCK HOUSE" Nehru Nagar,
Ambedkar Road, Ghaziabad-201001 U.P. (INDIA)
Ph.: 91-120-4196600, 4196700, Fax : 91-120-4196666, 4196777

October 01, 2018

Manager, DCS
The Bombay Stock Exchange Ltd.
Phiroze jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Ref: Scrip Code: - 530655

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: - GOODLUCK

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2017-18

Pursuant to Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a copy of Annual Report for the Financial Year 2017-18of the company is being enclosed herewith.

This is for your record and doing the needful.

Thanking You.
For Goodluck India Limited

(R C Garg)
Director
DIN: 00298129
10/159, Raj Nagar,
Ghaziabad-201001

Annual Report
2017-18



GOODLUCK INDIA LIMITED

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Corporate Information

Chairman
M C Garg

Whole Time Director
R C Garg & Nitin Garg

Non Executive Independent Director
IC Agasti, Rahul Goel,
V K Tyagi, Rashmi Garg

Statutory Auditor
M/S Sanjeev Anand & Associates

Company Secretary
Abhishek Agrawal

Registered Office:
509, Arunachal Building, Barakhamba Road,
Connaught Place, New Delhi-110001
Ph. +91-11-23725686

Corporate Office:
Goodluck House, II F, 166-167, Nehru Nagar,
Ambedkar Road, Ghaziabad (India) - 201001
Ph. +91-120-4196600, 4196700

Registrar & Share Transfer Agent:
Mas Services Ltd.,
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020
Ph. +91-11-26387281-83

Factory:
A-42/45, Industrial Area, Sikandrabad,
Distt. Bulandshahar (U.P.) INDIA

Units:

Goodluck Industries
A-51, Industrial Area, Sikandrabad, Distt.
Bulandshahar - 203205 U.P.) INDIA

Goodluck Industries-II
A-59, Industrial Area, Sikandrabad, Distt.
Bulandshahar - 203205 (U.P.) INDIA

Goodluck Engineering Co.
Khasra No. 2839, Gram Dhoom Manikpur,
G.T. Road, Gautam Budh Nagar, Dadri
(U.P.) INDIA

Goodluck Steel Tubes Works-2
D-2,3,4, UPSIDC, Gopalpur Industrial Area,
Khata No. 5/17, 73/18, 75/9, Village
Rajarampur, Sikandrabad (U.P.) INDIA

Goodluck Metallics
Survey No. 495. Vill. Sikra, Talluka –
Bhachau, Dist. – Kutch, Gujarat. INDIA



GROWTH WITH PERFECTION



Corporate Information

BANKERS

State Bank of India
THE BANKER TO EVERY INDIAN

HDFC BANK

बैंक ऑफ़ बड़ौदा
Bank of Baroda

AXIS BANK

kotak
Kotak Mahindra Bank

IDFC
IDFC LIMITED

RBL BANK

Thrust

SOLAR





POWER

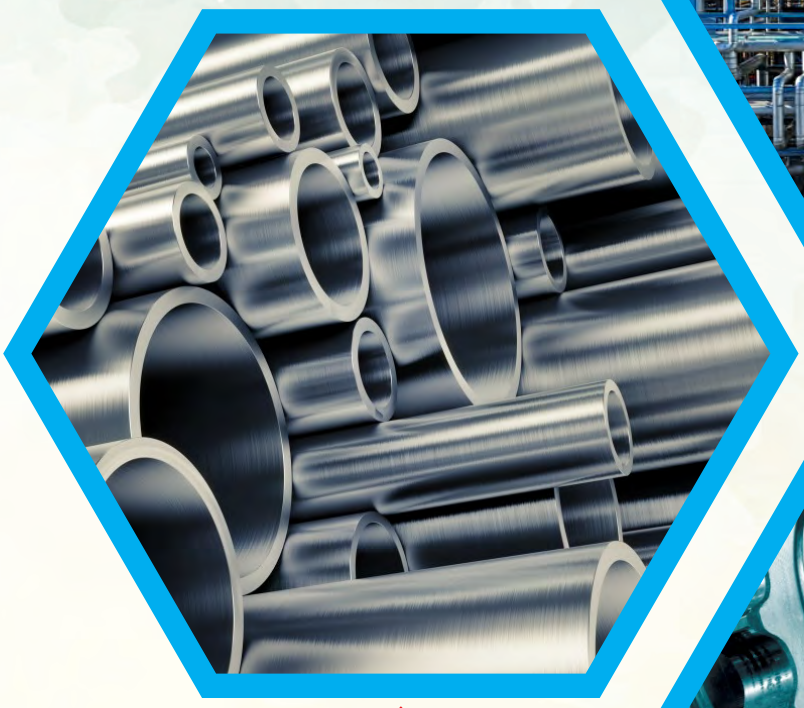


AUTO

Sector

OIL & GAS





PIPE



FORGING

"Our Strategic Growth Plan is Taking Firm Shape"



MAHESH CHANDRA GARG
CHAIRMAN

Chairman's Message

Dear Shareholders,

I would like to take this opportunity to thank each one of you who have enabled us to perform at our best even under challenging conditions.

Being a diversified engineering company with 30 years of experience in manufacturing of sheets, pipes, engineering structure, fabricated structure, forging and automobile tubes, we have faced and overcome a challenging time through adapting to new conditions. Situations like 47% price increase are not normal and have never been seen in the last 20-25 years, but we have still managed to adapt to this by changing our working style.

As we are adapting to these changes, we are strategically shifting our focus towards high-margin value added steel products like Precision Tubes, forging and structured steel production. Business from our value added products to regular products in FY 2018 stands at 58% to 42%. We are also planning a Greenfield expansion of steel tubes and precision tubes business in Kutch, Gujarat. A manufacturing capacity of 72,000 tons has been planned for the new facility. The structure division is gaining recognition which will reduce the labor cost in future, GST will likely to have a positive impact as the input cost will go down and will also result in saving on logistics cost which is at standard rate of 18%. We expect boost in demand with new steel policy and antidumping measures taken by the government. Business expansion will not only strengthen our financial position but also help minimise the impact of MIP on our operations.

Our financial performance has shown an increasing trend with an increase in sales by about 8%. Our EBITA has improved from INR 92.50 Cr in FY 2017 to INR 101.29 Cr. in FY 2018. Profit after tax stood at INR 14.74 Cr. in FY 2018. We have strategic plans to overcome the setbacks faced due to demonetisation. We are observing gain in our interest cost due to capitalization of expansion projects in structured division and de-bottlenecking capital expansion in other divisions. With this we see a better future with stronger business in the years to come.

Demand for infrastructure is picking up and with our strong strategic plans, we see a bright future for the company. There has been a demand pick-up in the oil sector due to which our forging business has also started showing demand recovery. With this, I feel confident that we will make these challenging times, a part of our growth story and will grow exponentially in the coming year.

Best Wishes,

Mahesh Chandra Garg
Chairman

Director's Report

Dear Shareholders,

The Board of Directors of your Company takes pleasure in presenting 32nd Annual Report and audited accounts on the business and operations of your Company for the financial year ended 31st March, 2018.

(Rs. In Cr.)

Particulars	2017-18	2016-17
Gross Turnover	1302.53	1204.23
Earnings before interest, tax & depreciation	101.29	92.51
Finance cost	56.24	48.10
Depreciation	19.88	17.54
Profit before tax	25.17	26.87
Profit after tax	14.75	19.75
Earning per Share (in Rs.)	6.63	8.98

1. Results Of Operations And The State Of Company's Affairs

During the year, Goodluck India Limited has transitioned its financial statements reporting for the financial year ended March 31, 2018, forming part of this Annual Report, in compliance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs. During the financial year 2017-18, the Gross Revenues from Operations increased to Rs. 1302 crore as against Rs. 1204 crore in the previous year thereby registering growth of 8% over the previous year. Our EBITDA for the year ended FY18 is increased by Rs. 8.78 crores to Rs. 101.29 crores versus 92.51 crores in previous year. Profit after tax stood at 14.75 crores versus Rs. 19.75 crores in previous year. The Company's bottom line in the FY2017-18 was hit due to frequent price upward revision in the raw material prices, blocking of fund in GST refund for export and other GST disturbance. Further, the ongoing expansion plan at Village: Sikra, Taluka-Bhachau (Kachchh), Gujarat is as per its schedule and the trial production has been started. However, the commercial production is expected to be started soon. It is expected that the new Greenfield project will give a boost to the performance of the company once its get fully operational.

2. Transfer To General Reserves

The Company has not transferred any amount to the Reserves during the current Financial Year.

3. Dividends

Keeping in view of the Company's fund requirement for current expansion plan and shrinking of profit margin, your Board of Directors has decided not to recommend any dividend for the financial year 2017-18.

4. Corporate Governance And Additional Information To Shareholders

The company is committed to maintain high standards of corporate governance. A separate report on corporate governance, pursuant to regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided with a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations, including the management discussion and analysis, and shareholders' information forms a part of this report.

As required by Regulation 17(8) read with Schedule II Part B of A the Listing Regulations, the Management and CFO of the Company have given appropriate certifications, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee to the Board of Directors.

Details of the depository system and listing of shares and Registrar & Share Transfer Agent are given in the section Shareholder information, which forms a part of the Corporate Governance Report.

5. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo undertaken by the Company along with the information in are given in Annexure 'A' to the Directors' Report.

6. Directors And Key Management Personnel

During the year under review, there is no change in the composition of the Board of Directors of your Company. However, Mrs. Kiran Garg has resigned

from Directorship of company w.e.f. 01.05.2018.

Mr. Nitin Garg, Whole Time Director is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible offer himself for re-appointment.

7. Number Of Meetings Of The Board And Its Committees

The details of the meetings of the Board of Directors and its Committees, convened during the financial year 2017-18 are mentioned under the Corporate Governance Report which forms a part of this report.

8. Statutory Auditors

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. In line with the requirements of the Companies Act, 2013, the Board recommend to appoint M/s. M Aggarwal & Associates, Chartered Accountant (Firm Reg. no. No.: 016925C), as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting subject to the approval of the shareholders in the ensuing Annual General Meeting. They have confirmed their eligibility for their appointment under the Act.

9. Secretarial Auditor

The Board has appointed M/s Ravi S Sharma & Associates, Practicing Company Secretary (FCS – 7336), to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure 'B' to this Report.

10. Cost Auditor

The Board of Directors of your Company, on the recommendations made by the Audit Committee has approved the appointment of S. R. Kapur, Practicing Cost Accountant, (M. No. 4926) as the Cost Auditor of your Company to conduct the audit of cost records for the financial year 2018-19. The remuneration proposed to be paid to the Cost Auditor, subject to your ratification at the ensuing 32nd Annual General Meeting.

Your Company has received consent from S. R. Kapur, Practicing Cost Accountant, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2018-19 along with a certificate confirming their independence and arm's length relationship.

11. Auditor's Reports

The Statutory Auditor's Report to the Shareholders together with Accounts for the year ended 31st March, 2018 and notes thereon are attached, which are self-explanatory. The observations of Statutory Auditors and Secretarial Auditors in their report, read with the relevant Notes to Accounts are self-explanatory and therefore, do not require any further explanation.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force). The Auditors' Report for the financial year ended 31st March, 2018, does not contain any qualification, reservation or adverse remark.

The Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standard) Rules 2015 enabling implementation of Ind AS. Pursuant to this notification company and its subsidiaries have adopted Ind AS (the converged IFRS) with effect from April 1, 2017. Accordingly, the standalone and consolidated financial statements for the year ended 31st March, 2018, and 31st March, 2017 including transition date balance sheet as at 1st April, 2016 have been prepared in accordance with Ind AS. The effect of transition to Ind AS has been given in detail in Financial Statement section.

12. Management Discussion And Analysis

The Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's businesses, internal controls and their adequacy, risk & concerns, risk management systems and other material developments etc. during the financial year 2017-18.

13. Public Deposits

Your Company has not invited or accepted any fixed deposits during the year as per the provisions of Section 73(2) of the Companies Act, 2013, and the rules made there under and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

14. Internal Financial Controls

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds

and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

15. Subsidiaries / Joint Ventures / Associate Companies

A separate section on the performance and financial position of the subsidiary company in Form AOC- I is part of the report and is annexed herewith as Annexure 'C'.

As per the SEBI Listing Regulations, a policy on material subsidiaries as approved by the Board of Directors, may be accessed on the Company's website www.goodluckindia.com.

16. Independent Directors Declaration

During the financial year 2017-18, the Board of the Company consists of Mr. Vijender Kr. Tyagi, Mr. Ishwar C Agasti, Mr. Rahul Goel and Dr. Kiran Garg as independent Directors. These Directors have confirmed that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the Rules thereunder.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

17. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted a policy on prevention, Prohibition and redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy has been formed to prohibit, prevent or deter the commission of the acts of sexual harassment at workplace and to provide the procedure for redressal of complaints pertaining to sexual harassment. The Company is an equal employment opportunity provider and is committed for creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company also believes that all employees of the Company have the right to be treated with dignity.

During the Financial Year 2017-18, the Company has not received any complaints of sexual harassment. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

18. Risk Management Policy

In compliance with the requirement of the Companies Act, 2013 the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges, the Company has formulated Risk Management Policy.

The objective of any risk identification and assessment process is to evaluate the combination of likelihood and level of negative impacts from an event. The three main components of risk assessment are business risk, service/operational risk and external risk.

The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision-making and compliance with applicable laws and regulations.

19. Change In The Nature Of Business

In pursuance to Rule 8(5) of Companies (Accounts) Rules, 2014, there is no change in the nature of business of Company.

20. Material Orders

In pursuance to Rule 8(5) (vii) of Companies (Accounts) Rules, 2014, there were no significant or material orders were passed by the Regulators or Courts or Tribunals during the financial year 2017- 18 which would impact the going concern status and Company's operations in future.

21. Particulars Of Loans Given, Investments Made, Guarantees Given And Securities Provided

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements.

22. Familiarisation Programme For Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at the link https://www.goodluckindia.com.

23. The Policy On Related Party Transactions

All Contracts/transactions/arrangements entered into by the Company during the financial year with the Related Parties were in ordinary course of business

and on an arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for un-foreseen transactions. Subsequently on a quarterly basis the transactions are presented to the Audit Committee, specifying the nature, value and terms and conditions of the same.

The Company has made transactions with related parties pursuant to Section 188 of Companies Act, 2013. The particulars of material contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the Form AOC-2 is annexed herewith as Annexure 'D'.

The Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which has been uploaded on the Company's website at the weblink: https://www.goodluckindia.com.

24. Policy On Appointment and Remuneration To Be Paid To Directors, Key Managerial Personnel (KMP) And Other Employees And Criteria Formulated By The Committee For Determining Qualification, Attributes, Independence Of A Director

The Board has adopted a policy, on Remuneration to be paid to Directors, Key Managerial Personnel and other employees and Criteria for Appointment of Directors. The objective of the policy is to define the criteria for qualification, qualities and characteristics for the Board as a whole and to ensure that Executive/ Non-Executive Directors and Key Managerial Personnel are sufficiently compensated for their performance.

Policy on appointment of Directors

The Composition and strength of the Board of Directors ("the Board") of the Company is subject to the provisions of the Companies Act, 2013, Listing Regulations and Articles of the Association of the Company. The Nomination and Remuneration Committee is responsible for evaluating the qualifications of each candidate to be appointed as Director on the Board. In general, it is expected from a Director to possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business or in the area of his expertise and to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

Remuneration Policy

Non-Executive Independent Directors may receive sitting fees for attending the Meeting of the Board and Committees thereof. The Executive Directors and other employees are paid remuneration by way of salary, perquisites, allowances and variable pay. Perquisites and retirement benefits are paid as per the Company policy. The remuneration of Executive Directors, as recommended by the Nomination and Remuneration Committee, is approved and further recommended by Board of Directors to the Members for approval. Remuneration and annual pay of Executive Directors and employees is determined keeping in view the industry benchmark and the relative performance of the Company.

Criteria for Determining Qualifications, Positive Attributes & Independence of Director

A director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business or in the area of his expertise.

A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

Directors should be free to present their view point independently, Company has also adopted to conduct the separate meeting of the independent Directors, which will ensure that the independent directors of the Company can review the performance of the Board and Chairman. Moreover the Directors should meet the other requirements of the Companies Act, 2013 and Regulation 16(1) (b) of Listing Regulations concerning independence of directors. A complete Remuneration Policy is available Company's website at the weblink: https://www.goodluckindia.com .

25. Evaluation of the Board's Performance

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. During the year, Board evaluation cycle was completed by the Company internally which

included the evaluation of the Board as a whole, Board Committees and the Peer evaluation of the Directors. The exercise was carried out through a structured evaluation to evaluate the performance of individual directors including the Board Chairman along with the Chairman of the Nomination and remuneration Committee of the Company. The evaluation process focused on various aspects of the functioning of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The performance of the Board was evaluated on the basis of the criteria such as the Board composition and structure, effectiveness of Board process, information and functioning etc. The performance of the committees was evaluated on the basis of the criteria such as the composition of the committees, effectiveness of committee meetings, etc. The Board and Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of individual director to the Board and committee meetings like preparedness on the issue to be discuss meaningful and constructive contribution and inputs in meetings, etc.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

In the coming year, the Board intends to enhance focus on diversity of the Board through the process of induction of members having industry expertise, strategic plan, exploring the new drivers of growth and further enhancing engagement with investors.

26. Corporate Social Responsibility Initiatives

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure 'E'. The CSR Policy may be accessed on the Company's website at the weblink: https://www.goodluckindia.com .

27. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

28. Vigil Mechanism

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about genuine concerns or grievances, unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The detail vigil mechanism may be accessed on the Company's website at the weblink: https://www.goodluckindia.com.

29. Extract Of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is attached as Annexure 'F'.

30. Particulars Of Employees

Particulars of employees and the ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as Annexure 'G'.

31. Payment of Listing Fees

Annual listing fee for the year 2018-19 has been paid by the Company to the stock exchanges where the company is listed, i.e., BSE Ltd. and National Stock Exchange Limited.

32. Material Changes And Commitments Affecting The Financial Position Of The Company After 31st March 2018

There was no material change affecting the financial position of the company which has occurred between the end of financial year of the company to which the financial statements relates i.e. 31st March 2018 and the date of the report.

33. Directors Responsibility Statement

As stipulated in Section 134(3) (c) of Companies Act, 2013, your Directors subscribe to the "Directors Responsibility Statement" and confirm as under:

a. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.

b. That 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 & fair view of the state of affairs of the Company at the end of Financial Year 2017-18 and of the Profit & Loss A/c of the Company for that period.

c. That the directors have taken proper and sufficient care of 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. That the directors have prepared the annual accounts on a going concern basis.

e. The directors, in case of a listed company, have 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 has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. Appreciation

Your Directors wish to thank and acknowledge with gratitude for assistance and co-operation received from the financial institutions, banks, government authorities, customer, vendors, and members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the company.

On behalf of the Board of Directors

M. C. GARG
Chairman

Date: 30th May, 2018
Place: Ghaziabad

ANNEXURE A

CONSERVATION OF ENERGY

Your company has always been conscious of the need to conserve energy and has always attempted various measures for the same wherever possible to achieve reduction in the cost of production and continually improving its operational performance. There is a continuous effort in moving towards a more application oriented approach to manufacturing the products and adopting an approach of continual improvement of process. The plants also managed to achieve substantial process improvements that resulted in lowers rejections, rework and therefore in higher yields. During the year under review, the company has shifted one more plant to meet its energy demand for production process to green fuel, i.e., natural gas.

The company has taken various measures on suggestion of experts in the areas where reduction of fuel and oil conservation is possible.

The detail regarding present energy consumption including captive generation is furnished below:

Power and Fuel Consumption		2017-18	2016-17
1. Electricity			
(a)	Purchased		
	Unit (in thousands) KWH	35118.085	33965.456
	Total Amount (Rs. In Lakh)	2657.41	2639.99
	Rate/unit (Rs.)	7.57	7.77
(b)	Own Generation		
	Through Diesel Generator		
	Unit (in thousands)	499.82	468.96
	Units per ltr.of diesel oil	3.45	3.30
	Cost/units	14.89	13.79
2. Furnace Oil			
	Total Amount (Rs. in Lakh)	176.54	424.60
	Total Quantity(Metric Ltr.)	735.542	1893.08
	Average Rate (Rs. /M.T.)	24	22.42

TECHNOLOGY ABSORPTION

We believe in continual improvement in our designs and products for ensuring full customer satisfaction. Innovation in process control, product development, cost reduction and quality improvement are being made on continuous basis as per the requirements of the market.

The technology being used for the manufacture of steel products is developed by in- house efforts and is at par with industry norms.

FOREIGN EXCHANGE EARNING AND OUT GO

During the year under review, the total foreign exchange earnings and outgo of the company are as follows:

(Rs. In Lakhs)

Particulars	2017-18	2016-17
Out go (CIF value of Imports)	595.58	3909.18
Out go (Expenditure)	712.76	899.74
Earnings (F.O.B. value of Exports)	31516.92	27295.67

ANNEXURE B

Form No. MR-3
SECRETARIAL AUDIT REPORT
(FOR THE FINANCIAL YEAR ENDED 31.03.2018)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of

Goodluck India Limited
(Formerly Good Luck Steel Tubes Limited)
509, Arunachal Building, Barakhamba Road,
Connaught Place, New Delhi -110001.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **Goodluck India Limited (CIN: L74899DL1986PLC050910)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period Covering the financial year ended on 31st March, 2018 ('Audit Period'),complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Goodluck India Limited ("The Company")** for the financial year ended on 31st March, 2018 according to the provisions of:

I. The Companies Act, 2013 **(the Act)** and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable. Further there were no compliances required relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the period undereview;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')** to the extent applicable to the Company:-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

   d. The Securities and Exchange Board of India

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

e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable to the Company during Audit Period**

f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable to the Company during Audit Period**

g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company during Audit Period**

h. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; - **Not Applicable to the Company during Audit Period**

i. the Company has complied with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with BSE Limited, National Stock Exchange of India Limited; and

j. The Memorandum and Articles of Association.

VI. The Company has identified the following laws as specifically applicable to the company:

I. The Indian Boiler Act, 1923

II. The Hazardous wastes (Management & Handling) Rules, 1989

III. The Explosive Act, 1884

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

i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1), General Meetings (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India. However, the stricter applicability of the Secretarial standard is to be observed by the Company.

ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per representation and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

a) Maintenance of various statutory registers and documents and making necessary entries therein;

b) Closure of the Register of Members.

c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;

e) Notice of Board meetings and Committee meetings of Directors;

f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;

g) The 31st Annual General Meeting held on 29th September 2017;

h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;

i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;

k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,

l) Appointment and remuneration of Auditors and Cost Auditors;

m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;

n) Declaration and payment of dividends;

o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;

p) Borrowings and registration, modification and satisfaction of charges wherever applicable; investment of the Company's funds including investments and loans to others;

q) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;

r) Directors' report;

s) Contracts, common seal, registered office and

publication of name of the Company; and

t) Generally, all other applicable provisions of the Act and the Rules made under the Act.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice 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 exist for seeking and obtaining further information and clarifications 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 further report that the Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization/rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

I further report that the Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

I further report that:

a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;

b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

I further report that during the audit period there were following specific events/actions having a major bearing on company's affairs in pursuance of the above reffered laws, rules, regulations and guidelines, standards etc,:-

➢ During the period under review, Company has converted 10,00,000 warrants convertible into equal no. of equity shares on preferential basis to the persons belonging to promoter category.

Place: New Delhi
Date : 30.05.2018

For **Ravi S Sharma & Associates**
Company Secretary
Firm Reg. No. I2008DE626400

Ravi. S. Sharma
M. No. - FCS 7336
COP No-8007

ANNEXURE C

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details				
1.	Name of the subsidiary	Swachh Industries Limited	Novalty Enterprises Private Limited	GLS Engineering India Limited	GLS Metallics India Limited	GLS Steel India Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Share capital (Rs.)	10,000,000.00	153,275,000.00	100,000.00	100,000.00	100,000.00
5.	Reserves & surplus (Rs.)	(209,431.00)	94,981,101.00	(12,535.00)	(12,535.00)	(12,535.00)
6.	Total assets (Rs.)	20,588,722.00	279,374,874.00	100,000.00	100,000.00	100,000.00
7.	Total Liabilities (Rs.)	20,588,722.00	279,374,874.00	100,000.00	100,000.00	100,000.00
8.	Investments (Rs.)	3,065,500.00	NIL	NIL	NIL	NIL
9.	Turnover (Rs.)	9,191, 831.00	24,174,364.00	NIL	NIL	NIL
10.	Profit before taxation (Rs.)	(202,916.00)	17,584,113.00	(12,535.00)	(12,535.00)	(12,535.00)
11.	Provision for taxation (Rs.)	NIL	4,924,877.00	NIL	NIL	NIL
12.	Profit after taxation (Rs.)	(202,916.00)	12,659,236.00	(12,535.00)	(12,535.00)	(12,535.00)
13.	Proposed Dividend (Rs.)	NIL	NIL	NIL	NIL	NIL
14.	% of shareholding	100%	100%*	100%#	100%#	100%#

Notes:

1. The following information shall be furnished at the end of the statement:
   A. Names of subsidiaries which are yet to commence operations : GLS Engineering India Limited, GLS Metallics India Limited, GLS Steel India Limited.
   B. Names of subsidiaries which have been liquidated or sold during the year : NIL
2. *Novalty Enterprises Private Limited is a Wholly Owned Subsidiary of Swachh Industries Limited and further Swachh Industries Limited is a Wholly Owned Subsidiary of Goodluck India Limited.
3. # Wholly Owned Subsidiaries of the Company has been incorporated during the year under review.
4. Part "B" of Form AOC I relates to detail of Associates and Joint Ventures is not been incorporated as there is no associates and joint Ventures of the Company.

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M. No. 72907

Place : Ghaziabad
Date: 30th May, 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M. C. GARG)
Chairman
DIN: 00292437

(R. C. GARG)
Director
DIN: 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

ANNEXURE D

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	N.A.
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e)	Justification for entering into such contracts or arrangements or transactions'	N.A.
f)	Date of approval by the Board	N.A.
g)	Amount paid as advances, if any	N.A.
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

2. Details of material contracts or arrangements or transactions at Arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

The company has not entered into any related party contract or arrangement or transaction which is material. "Material Related Party Transactions" means a contract or arrangement or transaction as defined as material in Listing Regulations or any other law or regulation including any amendment or modification thereof, as may be applicable.

On behalf of the Board of Directors

M. C. GARG
Chairman

Date: 30th May, 2018
Place: Ghaziabad

ANNEXURE E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs :

   The policy encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as the 'CSR Policy - 2015'. This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time. The CSR policy – 2015 of Goodluck will supersede all the earlier policies relating to CSR. The main objective of Goodluck CSR policy is to lay down guidelines for the company to make CSR a key business process for sustainable development for the society. Goodluck will act as a good Corporate Citizen, subscribing to the principles of global compact for implementation. The detailed CSR Policy may be accessed on the Company's website at the weblink: https://www.goodluckindia.com.

2. The Composition of the CSR Committee:

S. No.	Name of Director	Category	
1.	Mr. Vijender Kr. Tyagi	Non Executive Independent Director	Chairman
2.	Mr. Nitin Garg	Whole Time Director	Member
3.	Mr. R. C. Garg	Whole Time Director	Member

3. Average net profit of the Company for last three financial years: Rs. 3711.43 Lacs

4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above) : Rs. 74.23 Lacs

5. Details of CSR spent during the financial year:
   i) Total amount to be spent for the financial year: Rs. 35.92 Lacs
   ii) Amount unspent, if any: Rs. 38.31 Lacs
   iii) Manner in which the amount spent during the financial year is detailed below:

(Rs. In Lacs)

S. No	CSR Project or activity	Sector in which project is covered	Projects or programmes 1) Local area or other 2) Specify the state and district where project or program was undertaken	Amount Outlay (Budget) Project Or Program Wise	Amount Spent On The Project Or Programs Sub-Head: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure Upto The Reporting Period	Amount Spent: Direct Or Through Implementing Agency
1.	Medical Relief	Healthcare	Ghaziabad	5.00	0.09	15.09	Through Agency
2.	Animal welfare	Animal Welfare	Kutch, Gujarat	45.00	23.00	24.00	Through Agency
3.	Facilities for Senior Citizens	Social Welfare	Ghaziabad	10.00	4.83	17.01	Through Agency
4.	Promoting Education	Education Welfare	Ghaziabad	15.00	8.00	8.00	Through Agency
	TOTAL			**75.00**	**35.92**	**64.10**	

All the activities have been undertaken with the agencies active in the relevant field.

6. In case the Company has failed to spend the two per-cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report :

   The Concept of Corporate Social Responsibility (CSR) has gained prominence from all avenues. Organizations have realized that government alone would not be able to get success in its endeavor to uplift the downtrodden society. Even much before the issue of CSR became global concern, Goodluck India Limited (Goodluck) was aware of its responsibility towards the society. In alignment with vision of the company, Goodluck through its CSR initiatives, continues to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern. Now, Goodluck has planned and spent the amount for the welfare of the society and under-privilege section of the society however, unfortunately it falls short from the limit of section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014. However the company will ensure to spend the full expenditure of the said amount in next financial year.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

M C Garg
Director

V K Tyagi
Chairman CSR Committee

Place: Ghaziabad
Date: 30th May, 2018

ANNEXURE F

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

CIN	L74899DL1986PLC050910
Registration Date	06.11.1986
Name of the Company	GOODLUCK INDIA LIMITED (formerly Good Luck Steel Tubes Limited)
Category/Sub-category of the Company	PUBLIC
Address of the Registered office & contact details	509, ARUNACHAL BUILDING, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI-110001
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LTD. T-34, 2nd FLOOR, OKHLA INDUSTRAIL AREA, PHASE-II, NEW DELHI-110020

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	ERW & CDW PIPES	24106	53%
2.	SHEETS	24105	16%
3.	STRUCTURES	25119	21%
4.	FORGING	25910	10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Swachh Industries Ltd. 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U28999DL2017PLC314251	Subsidiary	100%	u/s 2(87) (ii) of the Companies Act, 2013.
2	Novalty Enterprises Private Limited 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U74899DL1995PTC069210	Subsidiary	100%*	u/s 2(87) (ii) of the Companies Act, 2013.
3	GLS Engineering India Limited 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U28994DL2018PLC331625	Subsidiary	100%#	u/s 2(87) (ii) of the Companies Act, 2013.
4	GLS Metallics India Limited 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U28999DL2018PLC331612	Subsidiary	100%#	u/s 2(87) (ii) of the Companies Act, 2013.
5	GLS Steel India Limited 509, Arunachal Building, Barakhamba Road, Connaught Place, New Delhi-110001	U28999DL2018PLC331652	Subsidiary	100%#	u/s 2(87) (ii) of the Companies Act, 2013.

*Novalty Enterprises Private Limited is a Wholly Owned Subsidiary of Swachh Industries Limited and further Swachh Industries Limited is a Wholly Owned Subsidiary of Goodluck India Limited.
Wholly Owned Subsidiaries of the Company has been incorporated during the year under review.

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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	13305108	0	13305108	60.461	14305108	0	14305108	62.18	1.72
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	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	**13305108**	**0**	**13305108**	**60.461**	**14305108**	**0**	**14305108**	**62.18**	**1.72**
B. Public Shareholding									
1.Institutions									
a) Mutual Funds	1649640	0	1649640	7.50	370000	0	370000	1.61	(5.89)
b) Banks / FI	9219	0	9219	0.04	70152	0	70152	0.30	0.26
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 (Foreign Portfolio Investors)	518343	0	518343	2.36	69463	0	69463	0.30	(2.00)
Sub-total (B)(1):-	**2177202**	**0**	**2177202**	**9.89**	**509615**	**0**	**509615**	**2.22**	**(7.67)**
2. Non-Institutions									
a) Bodies Corp.	549086	2500	551586	2.51	1068043	2500	1070543	4.65	2.14
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 up to Rs. 1 lakh	4806728	509508	5316236	24.16	5279343	469508	5748851	24.99	0.83
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	152719	0	152719	0.69	790258	0	790258	3.43	2.74
c) NBFCs Registered with RBI	0	0	0	0	200	0	200	0.00	0
d) Others (specify)									
Non Resident Indians	224128	153500	377628	1.72	138877	153500	292377	1.27	(0.45)
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	125771	0	125771	0.57	289062	0	289062	1.26	0.69
Trusts	0	0	0	0	236	0	236	0.00	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	**5858432**	**665508**	**6523940**	**29.65**	**7566019**	**625508**	**8191527**	**35.61**	**5.96**

Total Public Shareholding (B)=(B)(1)+ (B)(2)	**8035634**	**665508**	**8701142**	**39.54**	**8075634**	**625508**	**8701142**	**37.82**	**(1.72)**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**21340742**	**665508**	**22006250**	**100**	**22380742**	**625508**	**23006250**	**100**	**N.A.**

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	MANISH GARG AND SONS HUF.	127708	0.58	0	127708	0.56	0	(0.02)
2	SUNIL KUMAR GARG	232977	1.06	0	232977	1.01	0	(0.05)
3	SUSHIL KUMAR GARG	214870	0.98	0	214870	0.93	0	(0.05)
4	SAPNA GARG	259247	1.18	0	334247	1.45	0	0.27
5	ASHISH GARG	124000	0.56	0	124000	0.54	0	(0.02)
6	RAJIV GARG	637750	2.90	0	637750	2.77	0	(0.13)
7	REENA GARG	186294	0.85	0	186294	0.81	0	(0.04)
8	SHYAM AGRAWAL	143706	0.65	0	143706	0.62	0	(0.03)
9	ANKITA AGARWAL	297177	1.35	0	373314	1.62	0	0.27
10	MAHESH CHAND GARG	377250	1.71	0	377250	1.64	0	(0.07)
11	MANISH GARG	631707	2.87	0	711707	3.09	0	0.22
12	NITIN GARG	1486750	6.76	0	1486750	6.46	0	(0.3)
13	MITHLESH GARG	690000	3.14	0	690000	3.00	0	(0.14)
14	UMESH GARG	315631	1.43	0	481768	2.09	0	0.66
15	PUSHPA GARG	784537	3.57	0	784537	3.41	0	(0.16)
16	SARAS GARG	314500	1.43	0	314500	1.37	0	(0.06)
17	RAJAT GARG	291920	1.33	0	291920	1.27	0	(0.06)
18	SUDHA GARG	350000	1.59	0	350000	1.52	0	(0.07)
19	ANJU GARG	393936	1.79	0	393936	1.71	0	(0.08)
20	M C GARG AND SONS HUF.	172500	0.78	0	172500	0.75	0	(0.03)
21	ANIL KUMAR AND SONS HUF.	39000	0.18	0	39000	0.17	0	(0.01)
22	ASHISH GARG AND SONS HUF.	2000	0.01	0	78938	0.34	0	0.33
23	MUNNI LAL AND SONS HUF.	234092	1.06	0	234092	1.02	0	(0.04)
24	R C GARG AND SONS HUF.	642167	2.92	0	642167	2.79	0	(0.13)
25	SUSHIL KUMAR & SONS HUF.	81415	0.37	0	81415	0.35	0	(0.02)
26	RAM AGARWAL AND SONS.	50	0	0	50	0	0	0
27	SUNIL KUMAR AND SONS HUF.	131750	0.60	0	131750	0.57	0	(0.03)
28	KANAK LATA	286375	1.30	0	286375	1.24	0	(0.06)
29	NEETA GARG	615770	2.80	0	615770	2.68	0	(0.12)
30	SHIKHA GARG	289833	1.32	0	379250	1.65	0	0.33
31	RAM AGARWAL	728956	3.31	0	728956	3.17	0	(0.14)
32	ARCHANA AGARWAL	538365	2.45	0	538365	2.34	0	(0.11)

33	REKHA RANI	511750	2.33	0	511750	2.22	0	(0.11)
34	SAVITRI DEVI	312875	1.42	0	312875	1.36	0	(0.06)
35	RAMESH CHANDRA GARG	570250	2.59	0	570250	2.48	0	(0.11)
36	TUSHAR GARG	288000	1.31	0	288000	1.25	0	(0.06)
37	DHRUV AGGARWAL	0	0	0	75000	0.33	0	0.33
38	PARUL GARG	0	0	0	120000	0.52	0	0.52
39	RADHIKA GARG	0	0	0	120000	0.52	0	0.52
40	RITU GARG	0	0	0	121371	0.53	0	0.53

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	13305108	60.46	14305108	62.18
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	The Company has allotted 1000000 convertible warrants at a price of Rs. 125/- each on preferential basis to persons belonging to promoter group which has been converted into equal number of equity shares on 05th January 2018 upon receiving the remaining payment of 75% of issue price.			
3.	At the end of the year	14305108			

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

Sl. No	Name	Shareholding		Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17)	% of total shares of the Company			No. of Shares	% of total shares of the Company
1.	UNION SMALL CAP FUND	0	0	370000	Buy/Sell	370000	1.61
2.	VINAY GUPTA	0	0	225000	Buy/Sell	225000	0.98
3.	PRADIPKUMAR PATEL	97844	0.44	1300	Buy/Sell	96544	0.42
4.	KETAN RATILAL PATEL	1925	0.008	88075	Buy/Sell	90000	0.39
5.	VISHVANATH INDI	42000	0.19	39214	Buy/Sell	81214	0.35
6.	ASHIKA CREDIT CAPITAL LIMITED	0	0	80000	Buy/Sell	80000	0.35
7.	SHREE BALLABH BHAIYA	0	0	75000	Buy/Sell	75000	0.33
8.	SANJAY PANDEY	0	0	75000	Buy/Sell	75000	0.33
9.	AXIS BANK LIMITED	1950	0.008	68202	Buy/Sell	70152	0.30
10.	KUBER INDIA FUND	0	0	69463	Buy/Sell	69463	0.30

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	MAHESH CHANDRA GARG	377250	1.714	N.A.	N.A.	N.A.	377250	1.639
2.	RAMESH CHANDRA GARG	570250	2.591	N.A.	N.A.	N.A.	570250	2.478
3.	NITIN GARG	1486750	6.756	N.A.	N.A.	N.A.	1486750	6.462
4.	ISWAR CHANDRA AGASTI	0	0	N.A.	N.A.	N.A.	0	0
5.	VIJENDER KUMAR TYAGI	0	0	N.A.	N.A.	N.A.	0	0
6.	RAHUL GOEL	0	0	N.A.	N.A.	N.A.	0	0
7.	KIRAN GARG	0	0	N.A.	N.A.	N.A.	0	0
8.	SANJAY BANSAL	0	0	N.A.	N.A.	N.A.	0	0
9.	ABHISHEK AGRAWAL	0	0	N.A.	N.A.	N.A.	0	0

V) INDEBTEDNESS - INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT (Rs. In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebt-edness
Indebtedness at the beginning of the financial year				
i) Principal Amount	38,664.77	2,382.60	0	41,047.38
ii) Interest due but not paid	87.66	186.97	0	274.63
iii) Interest accrued but not due	0	0	0	-
Total (i+ii+iii)	**38,752.43**	**2,569.58**	**0**	**41,322.01**
Change in Indebtedness during the financial year				
* Addition	29,981.20	1239.08	0	31,220.28
* Reduction	26,062.99	1285.26	0	27,348.25
Net Change	**3,918.21**	**(46.19)**	**0**	**3,872.03**
Indebtedness at the end of the financial year				
i) Principal Amount	42,609.07	2,302.31	0	44,911.38
ii) Interest due but not paid	61.58	221.08	0	282.66
iii) Interest accrued but not due	0	0	0	-
Total (i+ii+iii)	**42,670.65**	**2,523.39**	**0**	**45,194.04**

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 (p.a.)			Total Amount
		M.C. Garg	R.C. Garg	Nitin Garg	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6000000	6000000	3480000	15480000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	N.A	N.A	N.A.	N.A
3	Sweat Equity	N.A	N.A	N.A.	N.A
4	Commission - as % of profit - others, specify...	N.A	N.A	N.A.	N.A
5	Others, please specify	N.A	N.A	N.A.	N.A
	Total (A)	6000000	6000000	3480000	15480000
	Ceiling as per the Act	260.45 lacs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

B) Remuneration to other directors

Sr No.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	Kiran Garg	Iswar Chandra Agasti	Vijender Kumar Tyagi	Rahul Goel	
1	Fee for attending board committee meetings	N.A	N.A	N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A
	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (1)	N.A	N.A	N.A	N.A	N.A
2	Other Non-Executive Directors	N.A.	N.A.	N.A.	N.A.	N.A.
	Fee for attending board committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (B)=(1+2)	N.A.	N.A.	N.A.	N.A.	N.A.
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.	N.A.
	Overall Ceiling as per the Act	Rs. 26.04 lacs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

C) Remuneration To Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel (p.a.)		
		CS (Abhishek Agrawal)	CFO (Sanjay Bansal)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	908600	3122400	4031000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	32400	32400
	(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	**908600**	**3154800**	**4063400**

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	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

ANNEXURE G

DETAILS PERTAINING TO REMUNERATION AS REQUIRED INFORMATION UNDER SECTION 197(14) & SECTION 197(12) RULE 5 (1) (2) & (3) OF COS (APPOINTMENT & REMUNERATION) RULES, 2014

1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	1. Mr. M.C Garg (Whole- Time Director) : 38.61: 1 2. Mr. R.C Garg (Whole- Time Director) : 38.61: 1 3. Mr. Nitin Garg (whole Time Director) : 22.39 : 1
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year	1. Mr. M.C Garg (Whole- Time Director) : 0% 2. Mr. R.C Garg (Whole- Time Director) : 28% 3. Mr. Nitin Garg (Whole Time Director) : 0% 4. Mr. Sanjay Bansal (C.F.O.) : 10% 5. Mr. Abhishek Agrawal (C.S) : -12%
3.	Percentage increase in the median remuneration of employees in the financial year	7%
4.	Number of permanent employees on the rolls of company	1765
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and Justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year is 6 % in comparison of 9% increase in the managerial remuneration. Explanation: Remuneration of both employees & Managerial Personnel are based on Company's as well as Individual performance and there is no exceptional circumstance for increase in the managerial remuneration.
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
7.	Statement of particulars of employees under section 197(12).	The statement of particulars of employees under section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

As per section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 list of top 10 employees of the Company employed throughout the financial year 2017-18 in terms of remuneration drawn:

Name(s)	Designation	Remuneration (Amount in Rs.)	Qualification	Relation	Total Experience (No. of years)	Joining Date	Age (years)
M C Garg	Chairman & Executive Director	6000000	B. Tech from IIT- Roorkee	Brother of R C Garg	49	06/11/1986	72
R C Garg	Executive Director	6000000	Mining Manager from ISM -Dhanbad	Brother of M C Garg	47	12/09/1988	71
Ram Aggarwal	CEO	4680000	B. Tech	N.A.	29	25/09/1988	51
Manish Garg	COO	4680000	B. Tech	Son of M C Garg	25	01/06/1992	47

Nitin Garg	Executive Director	3480000	B. Tech, MBA- Narsee Monjee	N.A.	13	08/08/2005	38
Shyam Aggarwal	COO	3480000	B. Tech	N.A.	25	05/04/1993	48
Rajeev Garg	Senior Management Executive	3480000	B. Tech	N.A.	24	01/04/1994	48
Ashish Garg	Senior Management Executive	3480000	B.Com.	N. A.	26	07/10/1991	46
Umesh Garg	Senior Management Executive	3480000	B. Tech from IIT Delhi, MS- London	Son of R C Garg	11	02/07/2007	33
Saras Garg	Senior Management Executive	3480000	MBA - Narsee Monjee	N.A.	10	25/06/2007	32

Notes :

1. The company didn't pay any remuneration to its any Non- Executive Independent Director during the Financial Year 2017-18.
2. None of the employees are covered under Rule 5(3) (viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Section 197 of the Companies Act, 2013 except Mr. Ram Aggarwal who holds 3.17%, Mr. Umesh Garg who holds 2.09%, Mr. Rajeev Garg who holds 2.77% and Mr. Manish Garg who holds 3.09 % of equity shares of the Company.
3. All appointments are contractual and terminable by notice on either side.
4. None of the above employees have worked with any other organization.

Management Discussion and Analysis

Economy Overview

The 2008 financial crisis and its aftermath exposed growing fault lines in the world economy. The slow recovery, accompanied by the uneven distribution of benefits from global trade, has increased social and political pressures for change. Today these strains manifest in various ways, including the rise of strident economic nationalism and protectionist policies. The policy direction of the new US administration, the UK's vote to leave the European Union, and elections in Germany and France during 2017 contributed to global uncertainty.

The past decade has been characterized by fragile growth, high investor uncertainty and periodic spikes in global financial market volatility. As crisis-related fragilities and the adverse effects of other recent shocks gradually subside, the world economy has strengthened. Towards the end of 2016, global economic activity began to see a modest pickup, which extended into 2017. World industrial production has accelerated, in tandem with a recovery in global trade that has been predominantly driven by stronger demand in East Asia. Confidence and economic sentiment indicators have also generally strengthened, especially in developed economies. Investment conditions have improved, amid stable financial markets, strong credit growth, and a more solid macroeconomic outlook.

However, stronger economic activity has not been shared evenly across countries and regions, with many parts of the world yet to regain a healthy rate of growth. Developing economies remain the main drivers of global growth. East and South Asia remain the world's most dynamic regions, benefiting from robust domestic demand and supportive macroeconomic policies. In contrast, economic conditions remain challenging for many commodity-exporting countries, underscoring the vulnerability to commodity boom and bust cycles in countries that are over-reliant on a narrow range of natural resources. Prospects in Africa, Western Asia and parts of South America remain heavily dependent on commodity prices.

Following the developments in the world, India faced several ups and down in FY 2017-18 in terms of implementation of novel Goods and Service Tax, improvement in global rankings such as Ease of Doing Business, Logistics Performance Index and Prosperity Index among others, openings of floodgates for FDIs, etc.

India's GDP growth saw a temporary dip in the first quarter of FY 2017-18 due to disruptions surrounding the initial implementation of GST, however, the growth recovered owing to strong industrial growth. The macro-economic indicators though registered a mixed trend; however the appreciable part is that whenever economy faced a dip in its growth, significant efforts were taken to revive the growth trajectory.

Going ahead, the financial year 2018-19 is going to be very critical not just for the economic growth but also for the common man and businesses at large owing to the upcoming elections.

Economy Outlook

The stronger momentum experienced in 2017 is expected to carry into 2018 and 2019, with global growth revised up to 3.9 percent for both years. For the two-year forecast horizon, the upward revisions to the global outlook result mainly from advanced economies, where growth is now expected to exceed 2 percent in 2018 and 2019. This forecast reflects the expectation that favorable global financial conditions and strong sentiment will help maintain the recent acceleration in demand, especially in investment, with a noticeable impact on growth in economies with large exports. In addition, the U.S. tax reform and associated fiscal stimulus are expected to temporarily raise U.S. growth, with favorable demand spillovers for U.S. trading partners—especially Canada and Mexico—during this period.

India has emerged as the fastest growing major economy in the world and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

The economy appears well positioned for FY 2018-19. Normalization in cash conditions following the demonetization of late 2016 and the fading of disruptions from last year's launch of the Goods and Services Tax should facilitate the economic recovery in FY 2019. Nonetheless, risks of fiscal slippage in the run-up to elections next year, concerns over India's banking sector, increasing global trade tensions and higher oil prices all cloud prospects. The GDP growth rate of 6.6% in FY2017-18 though lesser than 7.1% in FY2016-17, however, the economy is poised to grow at 7.3% in FY2018-19 and would compensate the teething effects of GST faced in FY2017-18 and is likely to improve the domestic flow of goods and services and contribute to the formalization of the economy and sustainably enhance growth.

Industry Review & Outlook

In spite of clear signals of recovery today, it is important to keep in mind challenges of the past that plagued the industry. Over the past few years, the global steel industry has been reeling under the pressure of overcapacities, especially on account of those existing in China. With the growth in steel consumption slowing down in China in recent times, the Chinese steel producers have had no option but

to rely on exports. This in turn has had an impact on high growth centres of steel consumption in "steel-non-mature" nations such as India. Additionally, depreciation of major currencies has led to a spurt in export by several countries like Russia and Ukraine. It was for these reasons that India saw an influx of imports from several countries, including China. The surge in imports impacted the sentiment of the domestic steel market, with declining capacity utilisation rates of both the primary and secondary steel players. Additionally, erosion of margins, coupled with sluggish demand growth, made the Indian steel investors wary of returns on their investment. However, the Government of India came out proactively to provide a level playing field to Indian companies through imposition of anti-dumping and safeguard duties as well as minimum import prices, wherever injury to the industry was noteworthy. Given the recent imposition of tariffs by the United States, the "steel-mature" countries like China, Japan, South Korea, etc. will look at India with immense interest. The Indian Steel Association has continued to highlight the long term distortions that such high level of cheap imports bring into the domestic market.

In spite of the threat of imports, Indian steel enterprises invested hugely into modernisation and expansion of their existing units as well as green-field plants to build a world class, cost competitive, environment-friendly and socially responsible industry. This is in line with the objectives of the National Steel Policy 2017 to increase the Per Capita Steel Consumption to 160 Kgs by 2030-31 from the current 60 kgs. This will necessitate a steel capacity of the tune of 300 MTPA from the current 128 MTPA. The Indian steel industry is fully geared for this, alongside stressing on remaining competitive.

After almost a decade of limping growth, the significant recovery of the global economy as well as that of the Global Steel Industry also points to a favourable outlook for the Indian steel industry. The continued growth in GDP in India, in fact, indicates that major steel consuming segments such as construction, real estate/housing, capital goods/ machinery, consumer goods, automobiles and energy sector shall benefit. The housing and construction sector, where major chunk of steel is consumed, shall get a boost with increase in per capita incomes and social sector schemes like Pradhan Mantri Awas Yojna-Housing for All, 100 Smart Cities Mission, Pradhan Mantri Gram Sadak Yojna, Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT), Bharatmala project, 24x7 Power for All initiative (by 2019), Development of Industrial Corridors & National Investment & Manufacturing Zones and many others. With the increasing thrust on the "Make-in-India" vision by the Indian Government, the Indian steel industry itself will grow and will be in a position to supply the required quantities and grades of steel much needed by the end-users. This also given the fact that the per capita finished steel consumption remains at a dismal 60 kgs, in contrast with the world average of around 220 kgs. The recently formed Global Forum on Excess Steel Capacity has acknowledged India's capacity expansion of steel as a function of growing consumption in the domestic market. There is no question in the minds of the international community that steel consumption is bound to grow in India, for it is clear that the present generation already demands a better quality of life and the next generation certainly will. This is because the level of consumption of steel is known to be one of the key indices for measuring the quality of life.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors. Infrastructure, oil and gas and automotives would drive the growth of the industry. Steel production in India is forecast to double by 2031, with growth rate expected to go above 10 per cent in FY18. To achieve steel capacity build-up of 300 million tonnes per annum (MTPA) by 2030, India would need to invest US$ 156.08 billion by 2030-31.

Financial and Operational Performance

The Company is operating in four verticals; general tubes and sheets, forgings, engineering structures and automobile tubes. As a strategy, company is focusing on value-added sectors like forging, auto tubes, and engineering structures. It has entered into many new fields such as OHE with railways, bridges with RDSO and a little bit in defense sector too. Since 2014, the Company is focusing on increasing our percentage of value-added to normal products and we are aligning our business to achieve that goal. The low side of this model is that it takes time to scale, but once it is established then for years to come company will be in a comfort zone because products are futuristic in the sense and giving a good bottom-line.

However, FY17-18 was a tough year for industry as well as for company also. Because of frequent government cost disturbances, and frequent price increase in HR coil and other raw materials caused obstruction in the business. The company is in the business of converting the steel into value added products and charge for the value addition & transfer the raw material cost to its customer. However, very frequent upward volatility in the raw material price makes it hard to shift its burden to the customer which hit the bottom line of the company's financial performance.

In early FY17-18 the company announced its Greenfield project at Bhuj with the capacity of 72000 MTPA. The expansion project is going good according to schedule; the company started to work on this project in July'17 and is likely to be commissioned soon. The project is going to be a game changer to the company in the sense, as it will help in earn higher EBIDTA margin for our export.

The Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standard) Rules 2015 enabling

implementation of Ind AS. Pursuant to this notification company and its subsidiaries have adopted Ind AS (the converged IFRS) with effect from April 1, 2017. Accordingly, the standalone and consolidated financial statements for the year ended 31st March, 2018, and 31st March, 2017 including transition date balance sheet as at 1st April, 2016 have been prepared in accordance with Ind AS. The effect of transition to Ind AS has been given in detail in Financial Statement section.

In the Financial Year 2017-18, our capacity utilization was around 85% of our total production capacity and have produced almost equal to the last year's figure in quantity term. However, due to change in price there was an increase of around 8% in our top line in comparison to FY 2016-17. Net sales were increased to Rs. 1286 crores as against 1185 crores during the previous year. However, EBITDA for the year 2017-18 stood around 8% of net sales almost equal to the FY'17. The profit before tax including other comprehensive income was 25.16 crores in FY'18 as compared to 26.87 crores in 2017.

However, there was decline in PAT in financial year 2017-18 and stood at 14.72 cr. as against Rs. 19.75 crores during previous financial year. The interest cost has increased due to capitalization of expansion project in structured division in previous year and pending IGST and ITC funds from GSTN. Expenses have also slightly increased due to anti-dumping duty verification made by US government against the export of metals to them.

The operational performance of industry is expected to be strong in FY19, led by robust steel consumption demand, government spending on infrastructure and housing and a modest recovery in private capex cycle. The year FY19 will be a one of sector consolidation with revival of stressed steel assets in a conclusive environment. It is expected that flat steel segment, in particular hot rolled coils (HRC), to get consolidated among top four domestic steel producers.

Internal Control Systems

The Company has an all-inclusive internal control system, which safeguards the Company's assets and ensures that transactions are properly authorised. The internal control system assures integrated, objective and reliable financial information. The Internal Auditors conducts audits at its various locations and covers all the major functions, with a focus on various operational areas and internal control systems. The suggestions, recommendations and implementation of the same are placed before the Management and the Audit Committee of the Board of Directors periodically. The adequacy of the internal control systems is also reviewed by the Audit Committee, on a periodic basis.

Opportunities and Threats

India is the third-largest crude steel producer in the world. In FY18, India produced 104.98 million tonnes (MT) of finished steel. Crude Steel production during 2017-18 stood at 102.34 MT. Steel consumption is expected to grow 5.7 per cent year-on-year to 92.1 MT in 2018. India's steel production is expected to increase from 102.34 MT in FY18 to 128.6 MT by 2021. The Government of India has allowed 100 per cent foreign direct investment (FDI) in the steel sector under the automatic route.

This year's budget focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. A total of Rs 14.34 lakh crore (US$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors. Some of the other government initiatives in iron & steel sector are like focus on infrastructure and restarting road projects which is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel. The National Steel Policy (NSP) 2017, seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.

But there are threats ahead too, from a tightening of global financial conditions, a shift toward inward-looking policies, and — over the longer run — population aging, slowing productivity growth, and the rise of the digital economy. Asia is expected to grow at 5.6 per cent this year and however, the outlook is supported by strong global demand, as well as still accommodative policies and financial conditions.

Risks and Challenges

The Company is primarily engaged in the Steel conversion business. The Company faces various risks associated with projects, the long-term success of which depends largely on the existence of a risk identification and management system that helps the Company continuously identify and mitigate various risks. It continuously reviews its systems to ensure they are in line with current internal and external environments.

The steel industry is prone to high proportion of fixed costs and volatility in prices of raw materials and energy. Limitations or disruptions in the supply of raw materials could adversely affect Company's profitability without proper hedging mechanisms. With significant contribution to the business coming from international markets, the Company is exposed to the risk of currency fluctuations, if any exposure remains open. The Company believes in keeping its currency exposures hedged to optimum levels and measures and manages these risks centrally. It carries out periodic reviews of these risks at appropriate levels.

The iron & Steel is a cyclical industry and excess volatility in the steel and raw material markets may adversely impact the Company's financial condition. Competition from substitute materials, or changes in manufacturing processes, may lead to a decline in product demand, resulting in loss of market share. The company has induced various developments of value-added products and enhanced services and solutions to ensure security of supplies in market.

Political unrest in countries and markets where the Company is operational can impact the progress of its projects. The Company carries out detailed evaluation of the potential risks involved in a market to remain competitive both domestically and globally. The Company's prior experience aids in combating any challenges. Additionally, the Company has t o keep updating & upgrading its facilities and process to cover its exposure in the local markets.

Major risks to the economy may come from oil prices and growing tendency of protectionism around the world, triggered by US's so-called reciprocal taxes. However, domestic factors, including from adjustments to the GST, would play a greater role.

Major external risks include oil price shocks, tax rate competitiveness, and growing barriers to trade. However, the Indian economy remains predominantly a domestically-driven one, so the major downside risks will be domestic in nature.

The newer developments in the competitive global business environment and potential consolidation among competitors may adversely impact the Company's financial condition and prospects. The company mitigates such competition risks by providing the consistent quality, timely delivery, diversification of product folio, cost reduction of its products and development of alternate markets. The various inventive techniques, products, process and technology have been adopted by the Company makes innovation imperative for success of the business.

Human Resources

Our employees are our most important assets. We believe that the quality and level of service that our professionals deliver has effectively strengthened our position as a safe place to work. With strong focus on human workforce with required skill set & experience and for maintaining current level of operations & upcoming expansions at plants we have invested significantly in building string knowledge resources within the organization. Company has strong HR policies & processes in place for hiring & retaining of talent. Adequate trainings and grooming for future, various tie ups with academic institutions are made by the company which will not only offer continuous learning opportunities for our employees, but also to undertake collaborative research and development. Employee Count as on March 31, 2018, Goodluck India Limited has 1,765 employees.

Report On Corporate Governance

MANAGEMENT'S PERSPECTIVE ON CORPORATE GOVERNANCE

At Goodluck India Limited, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Corporate Governance ensures fairness, transparency and integrity of the Management. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and thus seeks to ensure that its performance goals are met with integrity. The Company has established systems and procedures to ensure that its Board is well informed and well equipped to fulfill its overall responsibilities and to provide Management with the strategic direction needed to create long term shareholders value. The Company maintains highest levels of transparency, accountability and good Management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good Corporate Governance.

Besides complying with legal requirements, Goodluck has adopted best practices and set responsible standards of business. The Company is in compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). The Directors fully endorse and support the essentials of Corporate Governance and accordingly herein below give a report on Corporate Governance.

BOARD OF DIRECTORS

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Board is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. The Board comprises persons of eminence with excellent professional achievements in their respective fields. The Non-executive Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of finance & taxation, economics, law, governance etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The composition of the Board complies with Regulation 17 of the Listing Regulations as well as the provisions of the Companies Act, 2013. As on March 31, 2018, the Company has Seven Directors on its Board of which 4 Directors are Independent Directors including one woman director which was more than 50 % of the total number of Directors. At present the number of Non- Executive Directors (NEDs) is more than 50% of the total number of Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

The Securities and Exchange Board of India ('SEBI') accepted some of the recommendations with or without modifications of the Kotak Committee on Corporate Governance and consequently, on 9th May, 2018 the SEBI amended (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Your Company welcomes this progressive step of SEBI and has already been in compliance with some of the recommendations made by the Kotak Committee as part of its Corporate Governance framework. The Company shall ensure that its governance framework incorporates the amendments introduced in the Listing Regulations and the same are complied with on or before the effective date.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies as on 31st March, 2018 are given below:

Name of the Director	Category	No. of Board Meetings attended		Attendance at last AGM (Yes/No)	Relationships between Directors inter-se	No. of Directorships in other public Limited Cos.	No. of Chairmanship /Memberships of Committees in other Public Ltd. Cos. *	
		Held	Attended				Chairmanship	Membership
Mr. M.C. Garg	Promoter, Executive Chairman	11	10	Yes	Brother of Mr. R. C. Garg	-	-	-
Mr. R. C. Garg	Executive Director	11	10	Yes	Brother of Mr. M. C. Garg	-	-	-
Mr. Nitin Garg	Executive Director	11	10	Yes	Not Applicable	-	-	-
Mr. Vijender Kr. Tyagi	Independent, Non-Executive Director	11	10	Yes	Not Applicable	-	-	-
Mr. Iswar Chandra Agasti	Independent, Non-Executive Director	11	7	Yes	Not Applicable	-	-	-
Mr. Rahul Goel	Independent, Non-Executive Director	11	8	Yes	Not Applicable	-	-	-
Mrs. Kiran Garg*	Independent, Non-Executive Director	11	4	No	Not Applicable	-	-	-

*Mrs. Kiran Garg has resigned from Directorship of company w.e.f. 01.05.2018

Details of equity shares of the Company held by the Non- Executive Directors as on March 31, 2018 are given below:

Name	Category	Number of equity shares
Mr. Vijender Kr. Tyagi	Independent, Non-Executive	0
Mr. Iswar Chandra agasti	Independent, Non-Executive	0
Mr. Rahul Goel	Independent, Non-Executive	0
Mrs. Kiran Garg*	Independent, Non-Executive	0

*Mrs. Kiran Garg has resigned from Directorship of company w.e.f. 01.05.2018

NUMBER OF MEETINGS OF THE BOARD

Eleven Board meetings were held during the year, as against the minimum requirement of four meetings.

Notes:-

1. During the Financial Year 2017-18, Eleven Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 10th April, 2017, 29th May, 2017, 10th June, 2017, 14th August, 2017, 14th September, 2017, 17th November, 2017, 14th December, 2017, 05th January, 2018, 01st February, 2018, 14th February, 2018 and 08th March, 2018
2. * Only two Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
3. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
4. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.
5. The details of the familiarisation programme of the Independent Directors are available on the website of the Company (http://www.goodluckindia.com).

CODE OF CONDUCT

The Company has framed Code of Conduct which is applicable to all Directors and members of Senior Management. Pursuant to this Code all the Directors & Senior Management have affirmed compliance with this Code for the year ended March 31, 2018. A declaration of compliance of this Code signed by Chairman is annexed to this report.

COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted/ Reconstituted a set of Committees with specific terms of reference / scope: Audit Committee, Corporate Social Responsibility, Nomination cum Remuneration Committee & Stakeholder Relationship Committee. The terms of reference of the Committee(s) detailing their scope of work are determined by the Board from time to time. The Board periodically reviews the minutes of the meetings of all Committees. Composition, terms of reference, number of meetings and related attendance etc., of these committees are detailed herein.

AUDIT COMMITTEE

The Audit Committee of the company has been dealing with matters prescribed by the Board of Directors on a case to case basis. In general, the primary role/objective of the Audit Committee is to review the financial statements of the Company, strengthen internal controls & look into all transactions having monetary implications on the functioning of the Company. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

As on March 31, 2018, the Committee has three Directors. Out of that two Directors are Non-Executive and Independent Directors in accordance with the prescribed guidelines. Mr. Vijender Kr. Tyagi, is the Chairman of the Committee. The other members are Mr. Rahul Goel and Mr. M. C. Garg. The members of the Committee have adequate knowledge in the field of finance, accounting, and law. The Scope of the functioning of the Audit Committee is to review, from time to time, the internal control procedures, the accounting policies of the Company and such other functions, as may be recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013, which inter-alia include review of:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit Reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Statutory Auditor and Chief Internal Auditor; and
6. Statement of Deviation, if any.

The CFO of the Company is permanent invitees to the meetings of the Committee. The Company Secretary acts as Secretary to the Committee. During the year, 7 (Seven) meetings of the Audit Committee were held on 10th April, 2017, 29th May, 2017, 14th August, 2017, 14th September, 2017, 14th December, 2017, 05th January, 2018 and 14th February, 2018 in due compliance with the stipulated provisions. The attendance record of members of the Audit Committee is given as under:

S. No.	Name of the Member	Category	Member/Chairman	Meeting Attended
1.	Mr. Vijender Tyagi	Independent director	Chairman	7
2.	Mr. Rahul Goel	Independent director	Member	6
3.	Mr. Mahesh Chandra Garg	Executive Director	Member	7

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to section 135 of the Act and rules made thereunder the Board has constituted Corporate Social Responsibility Committee. The CSR Committee has prepared a transparent monitoring mechanism for ensuring implementation of the projects / programs / activities proposed to be undertaken by the Company.

The CSR Committee has the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

The CSR Committee will review the CSR activities of the Company and will provide progress update to the Board of Directors. The Composition of the Committee and other details has been given under related annexure to the Directors report.

NOMINATION CUM REMUNERATION COMMITTEE

The nomination and remuneration committee of the Company is constituted in line with the provisions of

Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The role of the Committee, inter alia, is following:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) Formulate criteria for evaluation of Independent Directors and the Board.

c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

d) To carry out evaluation of every Director's performance.

e) To recommend to the Board the appointment and removal of Directors and Senior Management.

f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

h) To devise a policy on Board diversity.

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

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

The detail about Remuneration Policy and remuneration paid to all the directors has already been described in relevant section of the main report. The composition of the Committee and the detail about the meetings of Nomination Cum Remuneration Committee are as follows:

S. No.	Name of the Member	Category	Member/Chairman	Meeting Attended
1.	Mr. Iswar C. Agasti	Independent director	Chairman	4
2.	Mr. Rahul Goel	Independent director	Member	4
3.	Mr. Vijender Tyagi	Independent director	Member	5
4.	Mr. M C Garg	Executive Director	Member	5

During the year, 5 (Five) meetings of the nomination cum remuneration committee meetings were held on 10th April, 2017, 29th May, 2017, 14th August, 2017, 14th December, 2017 and 14th February, 2018.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Remuneration to the Whole Time Directors, Non-Executive Directors/ Independent Directors:

The shareholders of the Company has approved the appointment of Mr. M. C. Garg as Chairman & Whole Time Director and Mr. R. C. Garg and Mr. Nitin Garg as the whole time directors of the Company for a period of Five(5) years. The terms and conditions of their appointment including remuneration payable to him was approved which was in accordance with the provisions of Section 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force). The details of the Remuneration paid the Whole Time Directors, Non-Executive Directors/ Independent Directors have been mentioned earlier under the Board of Directors Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has Stakeholders Relationship Committee during the year keeping in line with the statutory requirement. The Committee specifically look into the redressal of shareholders' complaints including complaints related to transfer of shares, non-receipt of annual reports and non-receipt of declared dividends. The Shareholders'/Investors' Grievance Committee consists of the following directors:

S. No.	Name of the Member	Category	Member/Chairman
1.	Mr. Vijender Tyagi	Independent director	Chairman
2.	Mr. M C Garg	Executive Director	Member
3.	Mr. R C Garg	Executive Director	Member

Mr. Abhishek Agrawal, Company Secretary acts as Secretary to the Committee who is also the Compliance Officer.

The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company.
- To oversee the performance of the Registrar and Transfer Agent of the Company.
- To recommend measurements for overall improvement in the quality of Investors Relation services.

Details pertaining to the numbers of complaints received and resolved and the status thereof during the financial year ended 31st March 2018 are given as follows:

Detail of complaints received/resolved during the year

- ❖ No. of Complaints received during the year : 3
- ❖ No. of Complaints not resolved to the satisfaction of Shareholders : Nil
- ❖ No. of Pending Complaints : Nil
- ❖ No. of Pending share transfer as on 31.03.2018 : Nil

GENERAL BODY MEETING

(I) Annual General Meeting (AGM) Detail

Details of last three annual general meeting are as follows.

YEARS	DAY, DATE and TIME	VENUE	SPECIAL RESOLUTION PASSED
2015	Wednesday 30.09.2015 at 9.30 A.M.	Aura Grand, 439, Jagriti Enclave, Delhi-92	Revision of the terms & conditions of the Appointment of Mr. M.C. Garg, as Chairman and Whole Time Director. Revision of the terms & conditions of the Appointment of Mr. R.C. Garg, as Whole Time Director. Approval under section 188 of the Companies Act, 2013 for enter into Related Party Transaction.
2016	Friday, 30.09.2016 at 9.30 A. M.	Aura Grand, 439, Jagriti Enclave, Delhi-92	NIL
2017	Friday, 29.09.2017 at 9.30 A.M.	Aura Grand, 439, Jagriti Enclave, Delhi-92	Re-appointment of Mr. Vijender Kumar Tyagi as an Independent Director of the Company. Re-appointment of Mr. Iswar Chandra Agasti as an Independent Director of the Company. Re-appointment of Mr. Rahul Goel as an Independent Director of the Company. Approval of an option available to the Lenders for Conversion of Financial Assistance into Equity Shares of the Company.

(II) Extra Ordinary General Meeting Detail

No Extra-ordinary General Meeting of the shareholders was held during the year.

(III) Postal Ballot

During the year under review, no resolution was passed through Postal Ballot.

DISCLOSURES

The Board of Directors receives the required disclosures, from time to time, relating to financial and commercial transactions from the key managerial personnel of the company. There have been no materially significant related party transactions which may have a potential conflict with the interests of the Company. During the year, no personnel have been denied access to the audit committee.

The policy for determining 'material' subsidiaries is disclosed and policy on dealing with related party transactions has been uploaded on the Company's website at www.goodluckindia.com

There have not been any occasion of non-compliance by the Company and therefore, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority, on any matter

related to capital markets, during the last three years.

The Company has formulated a Whistle Blower Policy / Vigil Mechanism for the directors and employees (including their representative body) to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases. The detail policy is uploaded on the website of the Company.

NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & the Listing Centre:

NEAPS is a web-based application designed by NSE for corporate efiling.

BSE Listing is a web-based application designed by BSE for corporate efiling.

All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically with NEAPS and BSE Listing Centre.

MEANS OF COMMUNICATION

(I) Quarterly/ Half Yearly/ Annual Results

The Quarterly, Half Yearly and Annual Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board

(II) News Releases

The Quarterly, Half Yearly and Annual Results of the Company are published in the prescribed format within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper and in one Vernacular newspaper of the State where the Registered Office of the Company is situated. The Company generally publishes its financial results in Business Standard/ Financial Express/Jansatta.

(III) Website

The Company's website www.goodluckindia.com contains a separate dedicated section to Investors, where the shareholders information and Financial Results are available. The Company's Information, financial results, shareholding pattern and other information are also available on www.bseindia.com and www.nseindia.com.

(IV) Presentations to institutional investors or Analysts

Presentations made to Institutional Investors and Analysts are uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively and uploaded on the Company's website www.goodluckindia.com

GENERAL SHAREHOLDER INFORMATION

(I) Annual General Meeting (Tentative & subject to Change)

Day, Date and Time	:	Saturday, September 29, 2018 at 9.30 A. M.
Venue	:	Aura Grand, 439, Jagriti Enclave, Delhi-92
Date of Book Closure	:	From 23.09.2018 to 29.09.2018 (both days Inclusive)
Dividend Payout Date	:	None

(II) Financial Calendar 2018-19 (Tentative & subject to Change)

First Quarter Result	July, 2018
Second Quarter Result	October, 2018
Third Quarter Result	January, 2019
Annual Results for the year ending on 31.03.2019	May , 2019

(III) Listing on Stock Exchange

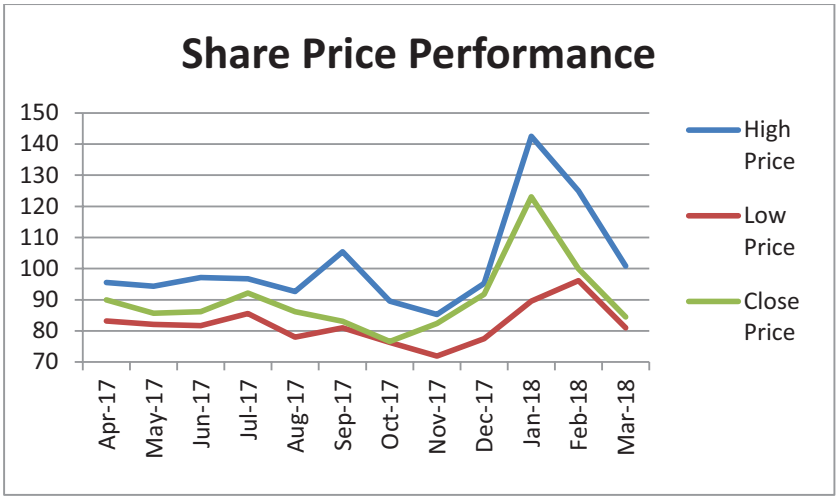
The company's shares are listed at the following stock exchanges.

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Stock Code : 530655	**National Stock Exchange Limited** Exchange Plaza C-1,Block-G Bandra Kurla Complex Bandra (E) Mumbai-400051 Stock Code : GOODLUCK

(IV) Market Price Data

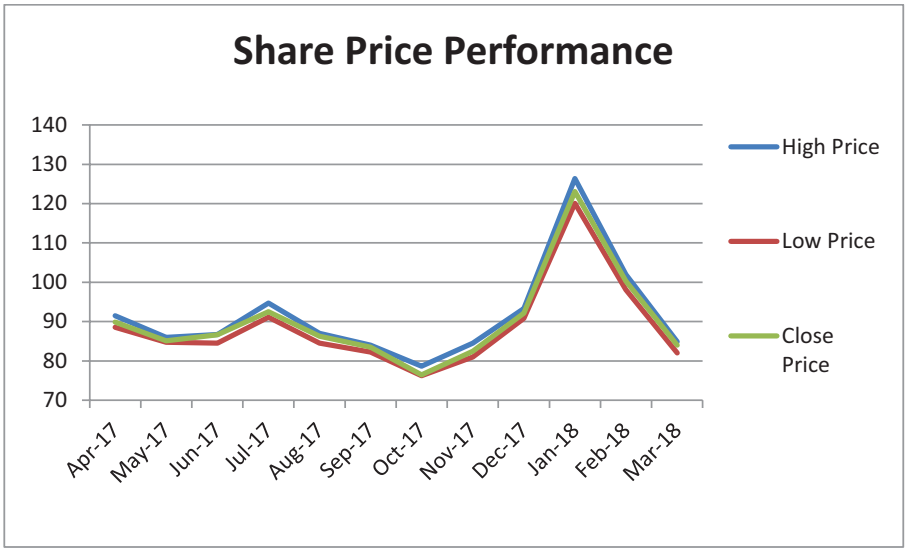
The monthly high/low market price of shares during last financial year 2017-18 at the Bombay Stock Exchange (BSE) is as under:

Month	High Price	Low Price	Close Price
Apr-17	95.55	83.2	89.95
May-17	94.35	82.1	85.7
Jun-17	97.1	81.75	86.15
Jul-17	96.75	85.6	92.15
Aug-17	92.7	78	86.2
Sep-17	105.45	81	83.05
Oct-17	89.6	76.35	76.6
Nov-17	85.25	71.9	82.4
Dec-17	95.25	77.5	91.75
Jan-18	142.5	89.6	123.05
Feb-18	125	96.2	99.95
Mar-18	100.85	81	84.5

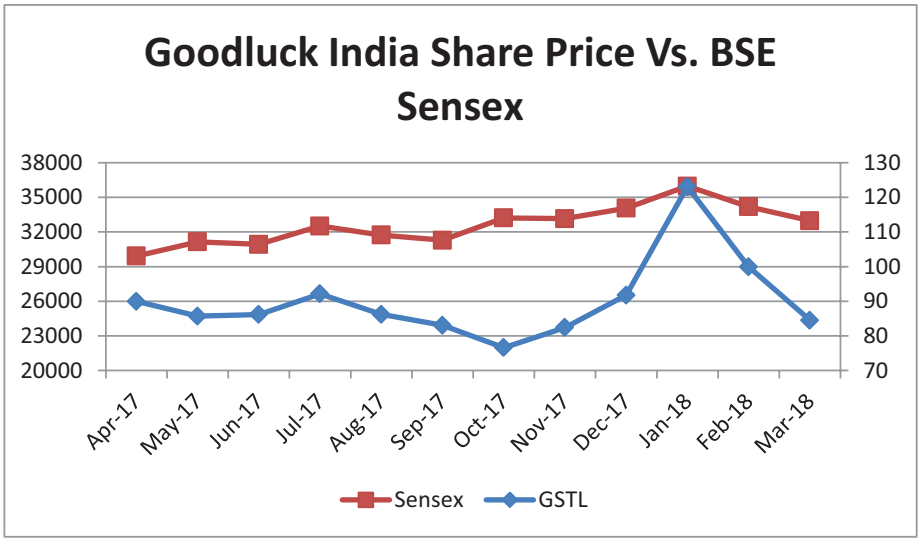


The monthly high/low market price of shares during last financial year 2017-18 at the National Stock Exchange (NSE) is as under:

Month	High Price	Low Price	Close Price
Apr-17	91.5	88.55	89.9
May-17	86	84.75	85.1
Jun-17	86.75	84.5	86.65
Jul-17	94.7	91.15	92.5
Aug-17	87	84.5	86.3
Sep-17	84.05	82.25	83.5
Oct-17	78.65	76.25	76.45
Nov-17	84.5	81	82.45
Dec-17	93.3	90.8	92.15
Jan-18	126.35	120.05	123.05
Feb-18	102	98.1	100.3
Mar-18	84.9	82.05	84



(V) Performance of the share price of the Company in comparison to the BSE Sensex:



(VI) Registrar And Share Transfer Agent

The company has appointed MAS Services Ltd. as the Registrar and Share Transfer Agent of the company. The Correspondence address of the agent is as follows:

MAS Services Ltd.
T – 34, 2nd Floor,
Okhla Industrial Area, Phase – II, New Delhi – 110 020
Email – info@masserv.com

(VII) Share Transfer System

The Company's shares are traded compulsorily in Demat segment on the Stock Exchanges. Shares received for transfer in physical mode are processed and valid transfers are approved within prescribed time limit. Duly transferred share certificates are dispatched within statutory time limit.

A summary of approved transfers, transmissions, deletion requests, etc., are placed before the Board of Directors from time to time as per Listing Regulations. Your Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

(VIII) Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') , all unpaid or unclaimed dividends are required to be

transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further, the corresponding shares will be transferred as per the requirement of the IEPF rules, details of which are provided on Company's website www.goodluckindia.com.

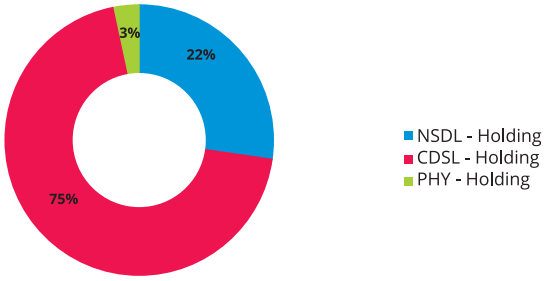
(IX) Distribution Of Shareholding And Shareholding Pattern

Distribution of shareholding and shareholding pattern of the shares as on 31.03.2018 are as follows:

Share Holding Of Nominal Value of Rs 2	Share Holders		Shares Held	
	Number	% To Total	Number	% To Total
1 TO 5000	11002	95.661	3444675	14.973
5001 TO 10000	248	2.156	907936	3.946
10001 TO 20000	112	0.974	831093	3.612
20001 TO 30000	32	0.278	407576	1.772
30001 TO 40000	19	0.165	345502	1.502
40001 TO 50000	10	0.087	231042	1.004
50001 TO 100000	22	0.191	777337	3.379
100001 AND ABOVE	56	0.487	16061089	69.812
TOTAL	**11501**	**100**	**23006250**	**100**

(X) Dematerialization Of Shares And Liquidity

	No. of Shareholders	% of No. of Shareholders	No. of Share	% of Share Held
NSDL	6148	53.14	4997314	21.72
CDSL	4956	42.84	17383428	75.56
PHYSICAL	465	4.02	625508	2.72
TOTAL SHARE HOLDERS	**11569**	**100%**	**23006250**	**100%**



(XI) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

During the year under review, the Company has issued and allotted 10,00,000 equity shares on preferential basis to persons belonging to promoter category upon conversion of warrants into equal number of Equity Shares on 05.1.2018. The equity shares allotted on conversion of the warrants shall rank pari-passu in all respects with the existing equity shares of the company except the new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.

(XII) Commodity Price Risk Or Foreign Exchange Risk And Hedging Activities

The company has the exposure towards risk related to commodity price as well as the foreign exchange risk. The concern risks have been discussed under the Management Discussion and Analysis forming part of the Board Report.

(XIII) Plant Location

A 42 & 45, Industrial Area, Sikandrabad, Distt. – Bulandshahar (U. P.)	A-51, Industrial Area, Sikandrabad, Distt. -Bulandshahar (U.P.)	Khasra No. 2839, Dhoom Manik Pur, Dadri, Distt.- G. Budh Nagar (U.P.)	A-59, Industrial Area, Sikandrabad, Distt. -Bulandshahar (U.P.)	D-2, 3 & 4 UPSIDC Gopalpur Industrial Area & Khata No. 5/17, 73/18 & 75/9, Village Rajarampur, Sikandrabad(U.P.)	Survey No. 495. Vill. Sikra, Talluka – Bhachau, Dist. – Kutch, Gujarat

(XIV) Correspondence Address

The Investor's may send their correspondence to the Registrar and Share Transfer agent or directly to the company at the following Address:

Good Luck House,
II – F, 166-167, Nehru Nagar,
Ambedkar Road, Ghaziabad – (U.P.) - 201001
Email: investor@goodluckindia.com

AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the requirements of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for year ended 31.03.2018.

For **Goodluck India Limited**
(formerly Good Luck Steel Tubes Limited)

Place: Ghaziabad
Date: 30th May, 2018

M. C. Garg
Chairman

COMPLIANCE CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of Goodluck India Limited (formerly Good Luck Steel Tubes Limited)

We have examined the compliance of the conditions of Corporate Governance by Goodluck India Limited (formerly Good Luck Steel Tubes Limited) for the year ended 31st March, 2018, as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our Examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : Ghaziabad
Date: 30th May, 2018

Independent Auditors' Report

To The Members of
GOODLUCK INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Goodluck India Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone 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 standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Other Matter

The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 29, 2017 and May 24, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report)

Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and record of the Company as we considered appropriate and according to the information and explanations given to us, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   c. The Balance Sheet, The Statement of Profit and Loss including Other Comprehensive Income, the statement of Cash Flow 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 specified under section 133 of the Act.

   e. On the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the Directors is disqualified as on 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" to this report.

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

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

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

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

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : Ghaziabad
Date : 30th May 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Requirement' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ('the Act') of Goodluck India Limited ("the Company"):

1. In respect of Property, Plant & Equipment of the Company:
   a. The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
   b. The Company has a regular programme for physical verification in phased periodic manner, which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
   c. According to the information and explanations given to us and the record examined by us and based on the examination of registered sales deed/ conveyance deed / transfer deed provided to us, we report that the title deeds, comprising all the immovable property of land and acquired building which are freehold, are held in the name of the Company as at the balance sheet date except leasehold/ freehold land and building structure thereon pertaining to one subsidiary company amalgamated during fiscal year 2016-17 having gross block amounting to Rs. 425.95 Lakhs.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals except for inventories lying with third parties where confirmations have been received by the management, and no material discrepancies were noticed on such verification.
3. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the order are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. According to the information and explanations given to us, in respect of statutory dues:
   a. The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income tax, sales tax, goods and service tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues applicable to it with appropriate authorities.
   b. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, Income tax, sales tax, goods and service tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
   c. According to the records of the Company, the dues outstanding of income-tax, sales-tax, goods and service tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Forum where dispute is pending	Financial Year to which the amount relates	Total Amt. (Rs. In Lakhs)
Central Excise Act	CESTAT	2009-10, 2014-15,	12.74
Central Excise Act	Commissioner(Appeals)	2015-16	13.46
Commercial Tax	Commissioner(Appeals)	2013-14	17.86

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to the banks. The Company does not have any outstanding dues in respect of financial institutions and debenture holders during the year.

9. Based on the information and explanations given to us by the management, term loan was applied for the purpose the loan was raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instrument).

10. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations given to us, the management has paid managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable.

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

14. According to the information and explanations given to us, the Company has made private placement of shares during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.

15. According to the information and explanations given to us, the company has not entered in to any non-cash transaction with the director or persons connected with him as referred to in section 192 of the Companies Act, 2013.

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

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : Ghaziabad
Date : 30th May 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering 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 (the 'Guidance Note'). Theses 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 asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with the 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 30th May 2018

Balance Sheet

(₹ In lakhs)

PARTICULARS	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	25,197.13	25,568.46	22,506.59
(b) Capital Work in Progress		5,689.74	442.19	755.78
(c) Financial assets				
(i) Investment in subsidiaries	5	103.00	100.00	542.48
(d) Other non-current assets	6	342.32	303.81	245.87
Total - Non current assets		**31,332.19**	**26,414.46**	**24,050.72**
(2) Current assets				
(a) Inventories	7	23,873.67	23,349.57	18,360.57
(b) Financial Assets				
(i) Trade receivables	8	20,066.97	19,380.92	17,218.23
(ii) Cash and cash equivalents	9	226.75	180.68	196.97
(iii) Other balances with banks	10	1,156.44	1,058.14	951.08
(c) Other current assets	11	9,555.79	6,934.24	4,999.97
Total - Current assets		**54,879.62**	**50,903.55**	**41,726.82**
TOTAL - ASSETS		**86,211.81**	**77,318.01**	**65,777.54**
B EQUITY AND LIABILITIES				
(3) Equity				
(a) Equity share capital	12	460.13	440.13	440.13
(b) Other equity	13	24,920.06	22,726.64	20,771.86
Total - Equity		**25,380.19**	**23,166.77**	**21,211.99**
(4) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	14	12,406.81	11,490.34	9,793.53
(b) Provisions	15	311.39	245.94	191.09
(c) Deffered tax liabilities (net)	16	2,595.86	2,106.92	1,979.05
Total - Non current liabilities		**15,314.06**	**13,843.20**	**11,963.67**
(5) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	29,441.87	27,404.35	23,863.51
(ii) Trade payables	18	9,759.61	9,141.04	5,784.23
(b) Provisions	19	196.48	172.30	88.15
(c) Other current liabilities	20	6,119.60	3,590.35	2,865.99
Total - Current liabilities		**45,517.56**	**40,308.04**	**32,601.88**
TOTAL - EQUITY AND LIABILITIES		**86,211.81**	**77,318.01**	**65,777.54**

See accompanying notes to the Standalone Financial Statements

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Statement of Profit and Loss

(₹ In lakhs)

PARTICULARS		Note No.	Year ended on 31st March, 2018	Year ended on 31st March, 2017
I	**Revenue from operations**	21	130,252.97	120,422.75
II	**Other Income**	22	243.28	547.81
III	**Total income**		**130,496.25**	**120,970.56**
IV	**Expenses**			
	(a) Cost of raw materials consumed	23	94,255.18	81,858.51
	(b) Purchase of stock-in-trade		39.11	15.55
	(c) Changes in Inventories of Finished Goods, work-in-progress & Stock in trade	24	(375.85)	(4017.25)
	(d) Employee Benefit Expenses	25	5,827.55	5,728.36
	(e) Finance Cost	26	5,624.50	4,810.11
	(f) Depreciation & Amortization Expenses	27	1,988.04	1,753.64
	(g) Excise Duty expense		3,208.18	11,121.94
	(h) Other Expenses	28	17,412.96	17,012.65
	Total expenses		**127,979.67**	**118,283.51**
V	**Profit before exceptional item & tax (III - IV)**		**2,516.58**	**2,687.05**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit/(loss) before tax (V-VI)**		**2,516.58**	**2,687.05**
VIII	**Tax Expenses**			
	Income tax for previous year		15.97	10.20
	Current Tax		537.10	596.13
	Deferred Tax		76.45	528.94
	MAT Credit Entitlement/ Tax Adjustment		412.49	(423.68)
IX	**Profit for the years (VII-VIII)**		**1,474.57**	**1,975.46**
X	**Other Comprehensive Income for the period**			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehaensive Income		**-**	**-**
XI	**Total Comprehensive income for the year**		**1,474.57**	**1,975.46**
XII	**Earnings per share**			
	Basic and Diluted	30	6.63	8.98

See accompanying notes to the Standalone Financial Statements

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Cash Flow Statement

(₹ In lakhs)

PARTICULARS		Year ended on 31st March, 2018	Year ended on 31st March, 2017
A.	**Cash Flow from operating activities:**		
	Net Profit before tax as per Profit & Loss Account	2,516.58	2,687.05
	Adjustment for:		
	Depreciation	1,988.04	1,753.64
	Profit on Sale of tangible Assets	(105.31)	(76.81)
	Interest Income	(137.97)	(188.90)
	Unrealised Exchange loss (Gain)	96.36	(306.27)
	Finance Cost	5,624.50	4,810.11
	Operating Profit before working capital changes	**9,982.20**	**8,678.82**
	Adjustment for:		
	Increase/ (Decrease) in Trade payable	618.57	3,356.81
	Increase/ (Decrease) in other payable	1,555.20	160.10
	(Increase) / Decrease in Inventories	(524.10)	(4,989.00)
	(Increase) / Decrease in Trade receivable	(686.05)	(2,629.62)
	(Increase) / Decrease in Other receivable	(2,757.26)	(1,796.24)
	Cash Generated from Operating Activities	**8,188.56**	**2,780.87**
	Taxes Paid	(684.54)	(522.18)
	Net Cash Flow From Operating Activities **TOTAL (A)**	**7,504.02**	**2,258.69**
B.	**Cash flow from Investing Activities**		
	Payment for property, plant & equipment	(6,916.57)	(3,776.92)
	Proceeds from sale of property, plant & equipment	157.63	129.49
	Payment for purchase of Investments in subsidiary	(3.00)	(100.00)
	Interest Income	137.97	188.90
	Net Cash used in Investing Activities **TOTAL (B)**	**(6,623.97)**	**(3,558.53)**
C.	**Cash flow from Financing Activities**		
	Proceeds from issue of Equity Shares & Warrants	937.50	312.50
	Proceeds from short term borrowings	2,037.52	3,540.84
	Proceeds from long term borrowings (net)	1,981.34	1,499.12
	Proceeds from Unsecured Loans (net)	(1.18)	900.94
	Interest Paid	(5,590.51)	(4,771.20)
	Dividend Paid	(198.65)	(198.65)
	Net Cash Flow from Financing Activies **TOTAL (C)**	**(833.98)**	**1,283.55**
	Net increase in cash and cash Equivalents **(A+B+C)**	46.07	(16.29)
	Cash and cash equivalents at the beginning of the year	180.68	196.97
	Cash and cash equivalents at the end of the year	226.75	180.68

1. The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS-7
2. Figures in bracket indicate Cash Outflow

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Statement of Changes in Equity for the Year Ended 31 March, 2018

A. Equity Share Capital

(₹ In lakhs)

Equity Shares of ₹2/- each issued, subscribed and fully paid	No. of Shares	Amount
As at April 1, 2016	**22,006,250**	**440.13**
Issued during the year	-	-
As at March, 31 2017	**22,006,250**	**440.13**
Issued during the year	1,000,000	20.00
As at March, 31 2018	**23,006,250**	**460.13**

B. Other Equity

(₹ in lakhs)

	Share Warrant Pending Allotment	Share Premium	General Reserve	Retained Earnings	OCI	Total Equity
As at April 1, 2016	**-**	**2,588.93**	**3,362.44**	**14,820.49**	**-**	**20,771.86**
Profit for the year	-	-	-	1,975.46	-	1,975.46
Transfer within equity	-	-	400.00	(400.00)	-	-
Other Comprehensive Income	-	-	-	-	-	-
Share warrant money received	312.50	-	-	-	-	312.50
Adjustment on account of merger	-	62.50	-	(197.01)	-	(134.51)
Total Comprensive income	**312.50**	**62.50**	**400.00**	**1,378.45**	**-**	**2,153.45**
Final dividend on equity Shares	-	-	-	(165.06)	-	(165.06)
Tax on Interim dividend & Final dividend	-	-	-	(33.61)	-	(33.61)
As at April 1, 2017	**312.50**	**2,651.43**	**3,762.44**	**16,000.27**	**-**	**22,726.64**
Profit for the year	**-**	**-**	**-**	**1,474.57**	**-**	**1,474.57**
On share issued during the year	(312.50)	1,230.00	-	-	-	917.50
Total Comprensive income	**(312.50)**	**1,230.00**	**-**	**1,474.57**	**-**	**2,392.07**
Final dividend on equity Shares	-	-	-	(165.05)	-	(165.05)
Tax on Final dividend on equity Shares	-	-	-	(33.60)	-	(33.60)
As at March 31, 2018	**-**	**3,881.43**	**3,762.44**	**17,276.19**	**-**	**24,920.06**

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Notes on Financial Statement for the Year Ended 31 March, 2018

1. COMPANY OVERVIEW

Goodluck India Limited ('The Company') is engaged in the business of manufacture and sale of engineering product i.e. heavy engineered structure, transmission and distribution tower, CDW Tubes, Precision Tubes, Pipes, Sheets and forged engineering products at its manufacturing facilities located at Sikandrabad, Industrial Area, and Dadri in Uttar Pradesh.

Goodluck India Limited is a public limited company, incorporated on November 06, 1986 and is listed on BSE Ltd and NSE Ltd.

2. SIGNIFICANT ACCOUNTING POLICIES

A. STATEMENT OF COMPLIANCE

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 30 May 2018.

For all accounting periods up to and including the year ended 31 March 2017, the Company prepared its Standalone financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is 1 April, 2016.

B. FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

C. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company has prepared its Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended 31 March, 2018, and accounting policies and other explanatory information in accordance with the notification issued by the Ministry of Corporate Affairs as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017

The Company follows the mercantile system of accounting and recognizes income and expenses on accrual basis. The standalone financial statements have been prepared on historical cost basis.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

D. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on property, plant and equipment is provided using straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

E. INVENTORY

Inventories are stated at the lower of cost and net realizable value except in case of waste and scrape which are valued at net realizable value.

Cost of raw material includes cost of purchase and

Notes on Financial Statement for the Year Ended 31 March, 2018

other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

F. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of waste and scrap are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, using effective interest rate.

G. EMPLOYEES' BENEFITS

Retirement benefits, such as gratuity are accounted for on the basis of provisions as lay down under Ind AS-19 "Employee Benefits" for employees are as per the certificate provided by the management.

Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense when employees have rendered service entitling them to the contribution.

Company's contribution to state defined contribution plan namely, Employee State Insurance are made in accordance with the statute, and are recognized as an expenses when employees have rendered services entitling them to the contribution.

H. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

I. FOREIGN CURRENCY TRANSACTIONS

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian Rupee (₹).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

J. FINANCIAL INSTRUMENTS

1. Financial Assets

I. Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value are adjusted through profit or loss on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

II. Subsequent measurement

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose

Notes on Financial Statement for the Year Ended 31 March, 2018

objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss (FVTPL)

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

III. Investment in subsidiaries

The Company has accounted for its investments in subsidiaries at cost.

IV. Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

2. Financial liabilities

I. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

II. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3. Derivative financial instruments

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps and forwards contracts to mitigate the risk of changes in interest rates, exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

4. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

K. LITIGATION

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse affect on the Company's result of operations or financial condition.

L. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been en-

Notes on Financial Statement for the Year Ended 31 March, 2018

acted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

M. PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

N. CASH AND CASH EQUIVALENT

Cash and cash equivalent in the Balance Sheet comprise cash at banks and in hand.

O. EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. CRITICAL ESTIMATION AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 16
- Estimation of defined benefit obligation – Note 15
- Recognition of deferred tax assets for carried forward tax losses – Note 16

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes on Financial Statement for the Year Ended 31 March, 2018

4. Property, Plant and equipment

(Rs.in Lakhs)

Particulars	Leasehold Land	Freehold Land	Factory Building	Office Building	Plant & Machinery	Furniture & fixture	Office equipment	Computer	Vehicle	Total	Capital work-in-progress
Cost/Deemed cost as at April 1, 2017	822.86	555.18	5,276.33	221.33	19,023.39	656.13	129.77	64.04	571.21	27,320.24	442.19
Additions	-	15.01	68.39	-	1,351.71	26.35	15.24	17.67	180.71	1,675.08	5,778.15
Disposals	-	-	-	-	50.21	-	-	-	29.25	79.46	530.60
Cost/Deemed cost as at March 31, 2018	**822.86**	**570.19**	**5,344.72**	**221.33**	**20,324.89**	**682.48**	**145.01**	**81.71**	**722.67**	**28,915.86**	**5,689.74**
Accumulated depriciation as at April 1, 2017	-	-	159.79	3.58	1,383.24	62.93	30.04	17.29	94.91	1,751.78	-
Charge for the period	-	-	185.75	3.63	1,572.21	68.00	30.29	20.98	107.18	1,988.04	-
Disposals	-	-	-	-	6.51	-	-	-	14.58	21.09	-
Accumulated depriciation as at March 31, 2018	**-**	**-**	**345.54**	**7.21**	**2,948.94**	**130.93**	**60.33**	**38.27**	**187.51**	**3,718.73**	**-**
Net Carrying value as at March 31, 2018	**822.86**	**570.19**	**4,999.18**	**214.12**	**17,375.95**	**551.55**	**84.68**	**43.44**	**535.16**	**25,197.13**	**5,689.74**

(Rs.in Lakhs)

Particulars	Leasehold Land	Freehold Land	Factory Building	Office Building	Plant & Machinery	Furniture & fixture	Office equipment	Computer	Vehicle	Total	Capital work-in-progress
Cost/Deemed cost as at April 1, 2016	805.31	454.63	4,231.24	162.13	15,899.16	366.63	80.52	33.39	473.58	22,506.59	755.78
Additions	17.55	100.55	1,045.09	61.00	3,124.28	334.39	49.25	30.65	105.43	4,868.19	442.19
Disposals	-	-	-	1.80	0.05	44.89	-	-	7.80	54.54	755.78
Cost/Deemed cost as at March 31, 2017	**822.86**	**555.18**	**5,276.33**	**221.33**	**19,023.39**	**656.13**	**129.77**	**64.04**	**571.21**	**27,320.24**	**442.19**
Accumulated depriciation as at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	-	159.79	3.58	1,383.24	62.93	30.04	17.29	96.77	1,753.64	-
Disposals	-	-	-	-	-	-	-	-	1.86	1.86	-
Accumulated depriciation as at March 31, 2017	**-**	**-**	**159.79**	**3.58**	**1,383.24**	**62.93**	**30.04**	**17.29**	**94.91**	**1,751.78**	**-**
Net Carrying value as at March 31, 2017	**822.86**	**555.18**	**5,116.54**	**217.75**	**17,640.15**	**593.20**	**99.73**	**46.75**	**476.30**	**25,568.46**	**442.19**

Notes on Financial Statement for the Year Ended 31 March, 2018

5. NON CURRENT INVESTMENTS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Investment in Subsidiary (Unquoted)			
Swachh Industries Ltd. : 10,00,000 equity shares of ₹10/- each fully paid up (March 31, 2017- 10,00,000, April 1, 2016 Nil)	100.00	100.00	-
GLS Steel India Ltd. : 50,000 equity shares of ₹ 2/- each fully paid up (March 31, 2017- Nil, April 1, 2016 Nil)	1.00	-	-
GLS Engineering India Ltd. : 50,000 equity shares of ₹ 2/- each fully paid up (March 31, 2017- Nil, April 1, 2016 Nil)	1.00	-	-
GLS Metallics India Ltd. : 50,000 equity shares of ₹ 2/- each fully paid up (March 31, 2017- Nil, April 1, 2016 Nil)	1.00	-	-
Masterji Metalloys Pvt. Ltd. : (April 1, 2016- 23,84,500 equity shares of ₹10/- each fully paid up)	-	-	542.48
TOTAL:	**103.00**	**100.00**	**542.48**

A Scheme of amalgamation for the merger of wholly owned subsidiary company, Masterji Metalloys Private Limited was sanctioned by Hon'ble High Court of Delhi vide order dated 29.08.2016 and the scheme has been given effect in the accounts during the year ended 31.03.2017.

6. OTHER NON CURRENT ASSETS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(Unsecured, unconfirmed, Considered good)			
Security Deposits	342.32	303.81	245.87
TOTAL:	**342.32**	**303.81**	**245.87**

7. INVENTORIES

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(As taken, valued and certified by the management)			
(At lower of cost and net realizable value unless stated otherwise)			
Raw Materials	8,408.76	8,126.87	7,290.61
Work-in-progress	5,467.09	5,347.11	2,484.48
Finished Goods	9,175.75	8,919.88	7,765.26
Stores, Spares & Packing Materials	822.06	955.71	820.22
TOTAL:	**23,873.67**	**23,349.57**	**18,360.57**

Inventories have been pledged as security against certain bank borrowings of the company as at 31 March 2018.

Notes on Financial Statement for the Year Ended 31 March, 2018

8. TRADE RECEIVABLES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured and Considered good	20,066.97	19,380.92	17,218.23
TOTAL:	**20,066.97**	**19,380.92**	**17,218.23**

Trade receivables are netted with Bill discounting of ₹ 2,802.55 lakhs (March 31, 2017- ₹ 1,857.19 lakhs, April 1, 2016 - ₹1,658.22 lakhs)

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Company does not hold any collateral or other credit enhancements over the balances of trade receivables.

Trade receivables have been given as collateral towards borrowings from financial institutions.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

9. CASH AND CASH EQUIVALENT

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash in hand	30.17	40.23	60.32
Unrestricted Balances with banks	196.58	140.45	136.65
TOTAL:	**226.75**	**180.68**	**196.97**

10. OTHER BALANCES WITH BANKS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Earmarked balances with Banks	1,156.44	1,058.14	951.08
TOTAL:	1,156.44	1,058.14	951.08

Earmarked balances with bank represents balances held for unpaid dividends and margin money against issue of bank guarantees, letter of credit, stand by letter of credit and security against tenders.

11. OTHER CURRENT ASSETS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(Unsecured, unconfirmed, Considered good)			
Advances to supplier	3,742.41	1,430.21	1,692.82
Capital Advances	767.04	104.32	366.56
Prepaid Expenses	240.31	229.75	180.31
Others	295.49	494.32	164.40
Export benefits and entitlements	552.55	530.48	671.14
Tax balances /recoverable/ credits	3,957.99	4,145.16	1,924.74
TOTAL:	**9,555.79**	**6,934.24**	**4,999.97**

Notes on Financial Statement for the Year Ended 31 March, 2018

12. EQUITY SHARE CAPITAL

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Authorised Capital 63,750,000 Equity Shares of ₹ 2/- each (63,750,000 equity shares as at March 31, 2017 and 50,000,000 equity shares as at April 1, 2016)	1,275.00	1,275.00	1,000.00
Issued, subscribed and fully paid -up capital 2,30,06,250 Equity Shares of ₹ 2/- each (2,20,06,250 equity shares as at March 31, 2017 and 2,20,06,250 equity shares as at April 1, 2016)	460.13	440.13	440.13
TOTAL:	**460.13**	**440.13**	**440.13**

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in ensuing general meeting.

The company has issued 10,00,000 Equity shares on 05.01.2018 against Convertible Share Warrants at the price of Rs. 125/- each at a premium of Rs. 123/- per share

The details of shareholders holding more than 5% shares:

DESCRIPTION		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mr. Nitin Garg	No. of Shares	1486750	1486750	1486750
	% held	6.46	6.76	6.76
Reliance Capital Trustee Co. Ltd A/c Reliance Small Cap Fund	No. of Shares	-	1649640	-
	% held	-	7.50	-

13. OTHER EQUITY

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
General reserve	3,762.44	3,762.44	3,362.44
Retained earnings	17,276.19	16,000.27	14,820.49
Other reserves:			
Security premium account	3,881.43	2,651.43	2,588.93
Share warrant	-	312.50	-
Total	**24,920.06**	**22,726.64**	**20,771.86**

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the General reserves.

Notes on Financial Statement for the Year Ended 31 March, 2018

The Company has not transferred any amount to general reserve during the year.

(ii) Dividends

On 29 May 2017, in respect of financial year 2016-17, the directors proposed a final dividend of ₹ 0.75 per equity share (dividend of ₹ 165.05 lakhs) to be paid to shareholders. This dividend was approved by the shareholders at the Annual General Meeting held on 29th september 2017. The dividend amounting to ₹ 165.05 lakhs which was paid on 03 october 2017, has been reduced from retained earnings.

14. LONG-TERM BORROWINGS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Term Loans:			
Secured Loan	10,002.82	9,185.82	8,249.29
Unsecured Loans	66.66	-	-
Other Loans			
Related Parties	2,523.39	2,569.57	1,668.63
Others	45.00	-	-
Unamortised upfront fees on borrowing	(231.06)	(265.05)	(124.39)
Net Amount	**12,406.81**	**11,490.34**	**9,793.53**

(₹ in lakhs)

S. No.	Terms of repayments	31-Mar-18		31-Mar-17		1-Apr-16		Nature of Security
		Non-current	Current	Non-current	Current	Non-current	Current	
	Rupee Term Loans From Banks (Secured)							
1	4 quarterly installment of Rs. 62.50 lakhs each from 30.06.2018 to 30.03.2019	-	250.00	250.00	250.00	500.00	250.00	First charge on fixed assets of the Company located at A-42, A-45 , A-51, A-59 & D-4 Industrial Area, Sikandrabad, Distt. Bulandshahr (U.P.) and Plot No. 2839 Dhoom Manikpur, Dadri (U.P.). and second charge on entire current assets of the Company , both present & future and personal guarantee of the directors of the Company and their relatives.
2	16 quarterly installment of Rs. 65.00 lakhs each from 30.06.2018 to 30.03.2022	780.00	260.00	800.00	200.00	-	-	
3	12 quarterly installment of Rs. 166.67 lakhs each from 16.07.2018 to 16.04.2021	1,500.00	500.00	2,000.00	-	2,000.00	-	
4	13 quarterly installment of Rs. 125.00 lakhs each from 31.05.2018 to 31.05.2021	1,125.00	500.00	1,625.00	442.31	2,067.31	259.62	
5	13 quarterly installment of Rs. 150.00 lakhs each from 31.05.2018 to 31.05.2021	1,350.00	600.00	1,950.00	531.00	2,481.00	312.00	
6	paid on 25.08.2016	-	-	-	-	-	216.00	
7	paid on 25.08.2016	-	-	-	-	-	143.71	

Notes on Financial Statement for the Year Ended 31 March, 2018

8	4 quarterly installment of Rs. 150.00 lakhs each from 31.03.2019 to 31.12.2019, 4 quarterly installment of Rs. 175.00 lakhs each from 31.03.2020 to 31.12.2020, 12 quarterly installment of Rs. 325.00 lakhs each from 31.03.2021 to 31.12.2023 (Amt. Disbursed till 31.03.2018 is Rs. 3775.18 lakhs	3,666.28	108.90	280.40	-	-	-	First charge on entire fixed assets located at Village Bhachau distt. Kutch, Gujarat and second pari passu charge on entire current assets located at Village Bhachau distt. Kutch, Gujarat and personal guarantee of the directors of the Company
	Rupee Term Loans From NBFC (Secured)							
9	34 monthly installment of Rs. 9.80 lakhs each from 05.04.2018 to 05.01.2021	215.69	117.65	333.34	117.65	450.98	49.02	First exclusive charge on specified Machinery located at Plot No. 2839 Dhoom Manikpur, Dadri (U.P.).
10	11 quarterly installment of Rs. 50.00 lakhs each from 05.04.2018 to 05.10.2020	350.00	200.00	550.00	200.00	750.00	200.00	First charge on fixed assets of the Company located at A-42, A-45, A-51, A-59 & D-4 Industrial Area, Sikandrabad, Distt. Bulandshahr (U.P.) and Plot No. 2839 Dhoom Manikpur, Dadri (U.P.). and second charge on entire current assets of the Company , both present & future and personal guarantee of the directors of the Company and their relatives.
11	15 quarterly installment of Rs. 32.50 lakhs each from 05.04.2018 to 05.10.2021	357.50	130.00	487.50	130.00	-	-	
12	37 monthly installment of Rs. 24.58 lakhs each from 05.04.2018 to 05.04.2021	614.58	295.00	909.58	270.42	-	-	
13	35 monthly installment of Rs. 2.28 lakhs (including interest) each from 18.04.2018 to 18.09.2020	43.76	22.70	-	-	-	-	First exclusive charge on specified Vehicles
	Rupee Term Loans From NBFC (Unsecured)							
14	16 monthly installment of Rs. 16.67 lakhs each from 08.04.2018 to 08.07.2019	66.67	200.00	-	-	-	-	
		10,069.48	**3,184.25**	**9,185.82**	**2,141.38**	**8,249.29**	**1,430.35**	

15. LONG-TERM PROVISIONS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Employees Benefits			
Provision for Gratuity / Leave Benefits	311.39	245.94	191.09
TOTAL:	311.39	245.94	191.09

Notes on Financial Statement for the Year Ended 31 March, 2018

16. Income Tax

Income of companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. The Company has made the provision of current tax after set off of brought forward of MAT credit.

(a) Income tax expense / (benefits)

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Current tax :		
Current tax	537.10	596.13
Tax provision/(reversal) for earlier years	15.97	10.20
Deferred tax :		
Deferred tax	76.45	528.94
MAT credit entitlement	412.49	(423.68)
Total deferred tax	488.94	105.26
Total Tax expense / (benefit)	**1,042.01**	**711.59**

(b) Reconciliation of effective tax rate :

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Net income before taxes	2,516.58	2,687.05
Enacted tax rate in India	34.608%	34.608%
Computed tax expense	870.94	929.93
Increase/(reduction) in taxes on account of:		
Income exempt from taxation /Items not deductible	125.92	(75.79)
Additional tax benefit for capital investment	-	(152.75)
Adjustment in respect of deffered tax on account of increase in rate of tax	29.19	-
Effect of tax pertaining to prior years	15.97	10.20
Tax expense for the year	1,042.02	711.59
Effective income tax rate	**41.41**	**26.48**

Notes on Financial Statement for the Year Ended 31 March, 2018

DEFERRED TAX LIABILITY (Net)

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deferred Tax Liability			
Deferred tax liabilities (net)	2,815.76	2,739.31	2,187.77
MAT credit entitlement	(219.90)	(632.39)	(208.72)
TOTAL:	**2,595.86**	**2,106.92**	**1,979.05**

(₹ in lakhs)

Deferred tax balance in relation to	As at 31 March 2017	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	As at 31 March 2018
Property, plant and equipment	2,528.02	552.47	-	3,080.49
Provisions	211.29	(476.02)	-	(264.73)
Total	2,739.31	76.45	-	2,815.76

(₹ in lakhs)

Deferred tax balance in relation to	As at 1 April 2016	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	As at 31 March 2017
Property, plant and equipment	2,264.77	240.65	-	2,505.42
Provisions	(77.00)	288.29	-	211.29
Additon on account of merger	-	-	-	22.60
Total	**2,187.77**	**528.94**	**-**	**2,739.31**

Movement in MAT credit entitlement:

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Balance at the beginning of year	632.39	208.71
Add: MAT credit entitlement availed during the year	-	423.68
Less: reversal of MAT credit entitlement	(412.49)	-
Balance at the end of year	**219.90**	**632.39**

The Company expects to utilize the MAT credit within a period of 15 years

Notes on Financial Statement for the Year Ended 31 March, 2018

17. SHORT TERM BORROWINGS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured Loans:			
From Banks (Working Capital Loan)	29,441.87	27,404.35	23,717.12
From Others	-	-	146.39
TOTAL:	**29,441.87**	**27,404.35**	**23,863.51**

Working capital limits from Banks comprising of Cash credit Limits / Export credit Limits / Bills discounted/ Buyer's Credit are secured by first charge on entire current assets of the Company including stocks of raw-materials, work-in-progress, stock lying in godown and ports, finished goods and book debts both present & future. Working capital limits from Banks are further secured by way of second charge on entire fixed assets of the Company, equitable mortgage of two immovable properties belonging to the directors of the Company and their relatives , situated at Plot No. II -F - 166 & II - F-167 , Nehru Nagar , Ambedkar Road , Ghaziabad (U.P.) and personal guarantee of the directors of the Company and their relatives. Loan from Others are secured by way of pledge of Key Men Life insurance policies of the company

18. TRADE PAYABLES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade creditors	9,759.61	9,141.04	5,784.23
TOTAL:	**9,759.61**	**9,141.04**	**5,784.23**

19. SHORT-TERM PROVISIONS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mark-to-market on forward	155.64	-	-
Provision for:			
Current Taxes	40.84	172.30	88.15
TOTAL:	**196.48**	**172.30**	**88.15**

20. OTHER CURRENT LIABILITIES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current maturities of long-term debt (Refer Note No. 14)	3,225.96	2,162.27	1,459.02
Unclaimed Dividends	25.14	22.06	23.98
Creditors for Capital Expenditure	591.93	119.12	380.54
Advance received from customer	743.78	415.63	310.41
Statutory dues	102.65	139.18	95.04
Other Payables	1,430.14	732.09	597.00
TOTAL:	**6,119.60**	**3,590.35**	**2,865.99**

Notes on Financial Statement for the Year Ended 31 March, 2018

21. REVENUE FROM OPERATIONS

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Sale of products	128,478.37	118,453.37
Job Charges Received	79.41	49.60
Other operating revenues		
Export Benefits	1,369.05	847.67
Exchange Fluctuation	326.14	1,072.11
TOTAL:	**130,252.97**	**120,422.75**

22. OTHER INCOME

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest Income	137.97	188.90
Other Income	105.31	358.91
TOTAL:	**243.28**	**547.81**

23. COST OF RAW MATERIAL CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Inventory at the beginning of the year	8,126.87	7,290.61
Add: Purchases	94,537.07	82,694.77
	102,663.94	89,985.38
Less: Inventory at the end of the year	8,408.76	8,126.87
Cost of raw material consumed	**94,255.18**	**81,858.51**

23.1 VALUE OF IMPORTED/INDEGENOUS RAW MATERIAL CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Imported	261.24	3,355.37
Imported (% of consumption)	0.28%	4.10%
Indigenous	93,993.94	78,503.14
Indigenous (% of consumption)	99.72%	95.90%
TOTAL:	**94,255.18**	**81,858.51**

Notes on Financial Statement for the Year Ended 31 March, 2018

24. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK -IN-PROCESS AND STOCK-IN-TRADE

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Inventories at the beginning of the year		
Work-in-progress	5,347.11	2,484.48
Finished goods / Stock-in-Trade	8,919.88	7,765.26
	14,266.99	**10,249.74**
Inventories at the end of the year		
Work-in-progress	5,467.09	5,347.11
Finished goods / Stock-in-Trade	9,175.75	8,919.88
	14,642.84	**14,266.99**
TOTAL:	**(375.85)**	**(4,017.25)**

25. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Salaries, Wages & Bonus	5,457.13	5,378.26
Contribution to provident and other fund	278.71	261.15
Staff Welfare Expenses	91.71	88.95
TOTAL:	**5,827.55**	**5,728.36**

26. FINANCE COST

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest on borrowings	4,994.95	4,341.69
Bank Commission & Charges	595.56	429.51
Unwinding of interest on financial liabilities carried at amortised cost	33.99	38.91
TOTAL:	**5,624.50**	**4,810.11**

27. DEPRECIATION & AMORTIZATION EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Depreciation on tangible assets	1,988.04	1,753.64
TOTAL:	**1,988.04**	**1,753.64**

Notes on Financial Statement for the Year Ended 31 March, 2018

28. OTHER EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Consumption of stores and spares	4,870.38	4,731.22
Power & Fuel Expenses	2,616.66	3,132.64
Processing Charges	812.86	1,092.12
Repairs & Maintenance :		
a) Plant & Machinery	543.79	545.53
b) Building	62.57	66.93
c) Others	90.71	91.72
Freight & Forwarding	5,070.58	4,253.06
Advertisement	21.65	24.53
Commission & Rebate	983.91	828.50
Selling & Sales Promotion	54.93	98.60
Packing Materials	736.95	824.15
Printing & Stationery	39.13	40.55
Postage, Telegram & Telephone	60.54	94.10
Travelling and Conveyance	740.31	675.08
Legal & Professional Expenses	301.83	133.62
Insurance	74.68	74.06
Rates, Taxes & Fees	117.21	147.62
CSR Expenses	35.92	7.10
Miscellaneous Expenses	178.35	151.52
TOTAL:	**17,412.96**	**17,012.65**

28.1. VALUE OF STORES & SPARES CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Imported	40.03	83.32
Imported (% of consumption)	0.82%	1.76%
Indigenous	4,830.35	4,647.89
Indigenous (% of consumption)	99.18%	98.24%
TOTAL:	**4,870.38**	**4,731.22**

Notes on Financial Statement for the Year Ended 31 March, 2018

29. PAYMENT TO AUDITORS AS:

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Auditors		
Statutory Audit Fees	3.50	3.50
Tax Audit Fees	0.50	0.50
Certificate and Consultation Fees	0.50	0.31
TOTAL:	**4.50**	**4.31**

30. EARNING PER SHARE

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Net profit after tax as per Statement of Profit and Loss		
attributable to Equity Shareholders (₹ in Lakhs)	1,474.57	1,975.46
Weighted average No. of Equity Shares	22,241,866	22006250
Basic and Diluted Earning per share (₹)	**6.63**	**8.98**
Face value per equity share (₹)	2.00	2.00

31. Financial instruments

31.1. Capital risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents,Bank balances other than cash and cash equivalents.

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Long term borrowings	9,883.42	8,920.77	8,124.90
Current maturities of long term debt	3,225.96	2,162.27	1,459.02
Short term borrowings	29,441.87	27,404.35	23,863.51
Less: Cash and cash equivalent	(226.75)	(180.68)	(196.97)
Less: Bank balances other than cash and cash equivalent	(1,156.44)	(1,058.14)	(951.08)
Net debt	**41,168.06**	**37,248.57**	**32,299.38**
Total equity	**25,380.19**	**23,166.77**	**21,211.99**
Gearing ratio	1.62	1.61	1.52

1. Equity includes all capital and reserves of the Company.
2. Debt is defined as long term (excluding other loans from related parties) and short term borrowings.

Notes on Financial Statement for the Year Ended 31 March, 2018

31.2 Categories of financial instruments

(₹ in lakhs)

DESCRIPTION	31st March, 2018		31st March, 2017		1 April, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
Measured at amortised cost						
Non-current investment	103.00	103.00	100.00	100.00	542.47	542.47
Trade receivables	20,066.97	20,066.97	19,380.92	19,380.92	17,218.23	17,218.23
Cash and cash equivalents	226.75	226.75	180.68	180.68	196.97	196.97
Bank balances other than cash and cash equivalents	1,156.44	1,156.44	1,058.14	1,058.14	951.08	951.08
Total financial assets at amortised cost (A)	**21,553.16**	**21,553.16**	**20,719.74**	**20,719.74**	**18,908.75**	**18,908.75**
Financial liabilities						
Measured at amortised cost						
Long term Borrowings #	15,632.77	15,632.77	13,652.61	13,652.61	11,252.55	11,252.55
Short term Borrowings	29,441.87	29,441.87	27,404.35	27,404.35	23,863.51	23,863.51
Trade payables	9,759.61	9,759.61	9,141.04	9,141.04	5,784.23	5,784.23
Total financial liabilities carried at amortised cost (B)	**54,834.25**	**54,834.25**	**50,198.00**	**50,198.00**	**40,900.29**	**40,900.29**

including current maturities of long term debt.

31.3 Financial risk management

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk

- Credit risk and

- Liquidity risk

31.4 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 the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Notes on Financial Statement for the Year Ended 31 March, 2018

31.5 Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts. At any point in time, the Company hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Company hedges its payables as when the exposure arises.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable rules and regulations where the Company operates.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2018 (₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	509.19	1,242.75	0.02	18,315.01	20,066.97
Bank balances other than cash and cash equivalents	-	-	-	1,156.44	1,156.44
Advance to supplier	706.52	-	-	3,035.89	3,742.41
Capital advances	14.19	-	1.77	751.08	767.04
Total financial assets	**1,229.90**	**1,242.75**	**1.79**	**23,258.41**	**25,732.86**
Financial liabilities					
Short term borrowings	-	-	-	29,441.87	29,441.87
Trade payables	-	-	-	9,759.61	9,759.61
Advance recd from customer	32.23	71.03	14.15	626.38	743.79
Creditors for capital expenditure	23.66	-	-	568.27	591.93
Total financial liabilities	**55.89**	**71.03**	**14.15**	**40,396.13**	**40,537.20**

Currency exposure as at 31 March 2017 (₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	684.48	681.14	7.67	18,007.63	19,380.92
Bank balances other than cash and cash equivalents	-		-	1,058.14	1,058.14
Advance to supplier	-	0.52	-	1,429.69	1,430.21
Capital advances	79.68	10.54	1.77	12.33	104.32
Total financial assets	**764.16**	**692.20**	**9.44**	**20,507.79**	**21,973.59**

Notes on Financial Statement for the Year Ended 31 March, 2018

Financial liabilities					
Short term borrowings	653.98	12.07	-	26,738.30	27,404.35
Trade payables	-	33.37	-	9,107.67	9,141.04
Advance recd from customer	250.97	41.45	-	123.21	415.63
Creditors for capital expenditure	10.76	-	-	108.36	119.12
Total financial liabilities	**915.71**	**86.89**	**-**	**36,077.54**	**37,080.14**

Currency exposure as at 1 April 2016

(₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	1,000.99	917.87	3.27	15,296.10	17,218.23
Bank balances other than cash and cash equivalents	-	-	-	951.08	951.08
Advance to supplier	-	-	-	1,692.82	1,692.82
Capital advances	44.84	-	1.77	319.95	366.56
Total financial assets	**1,045.83**	**917.87**	**5.04**	**18,259.95**	**20,228.69**
Financial liabilities					
Short term borrowings	1,114.70	150.92	-	22,597.89	23,863.51
Trade payables	-	-	-	5,784.23	5,784.23
Advance recd from customer	67.38	29.80	-	213.23	310.41
Creditors for capital expenditure	-	-	-	380.54	380.54
Total financial liabilities	**1,182.08**	**180.72**	**-**	**28,975.89**	**30,338.69**

The following table details the Company's sensitivity impact of 1% increase and decrease in the INR against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis for outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

(₹ in lakhs)

DESCRIPTION	Increase		Decrease	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Receivable				
USD/INR	18.10	13.32	(18.10)	(13.32)
Payable				
USD/INR	0.21	0.44	(0.21)	(0.44)

Notes on Financial Statement for the Year Ended 31 March, 2018

Particulars of outstanding Short term forward exchange contracts entered into by the company (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
BUY			
No. of Contract	-	1	4
US $ equivalent	-	467307	750000
INR equivalent	-	303.00	497.50
MTM	-	(13.96)	(13.01)
SELL			
No. of Contract	50	59	43
US $ equivalent	10,676,504	7,834,838	5,483,091
INR equivalent	6944.44	5,080.00	3,637.09
MTM	(155.64)	327.73	31.35

Unhegde Currency Risk position :

1) Amounts receivable in foreign currency (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances			
US equivalent (in USD)	24,569	135,038	-
INR equivalent	15.96	91.99	-
Advances to Suppliers			
US equivalent (in USD)	1,086,305	739	71,680
INR equivalent	706.52	0.52	46.61

II) Amounts payable in foreign currency (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade Payable/ Creditors for Capital Expenditure			
US equivalent (in USD)	32,208	65,151	-
INR equivalent	23.65	44.13	-
Bank Borrowings			
US equivalent (in USD)	-	974,621	1,875,319
INR equivalent	-	666.05	1,265.62
Advance received from cutomer			
US equivalent (in USD)	182,907	452,570	157,708
INR equivalent	117.41	292.42	97.18

31.6 Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as demand and supply, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the

Notes on Financial Statement for the Year Ended 31 March, 2018

sale of its steel products.

The Company primarily procured its raw materials i. e. HR Coil, Angle shape and section, Ingot, Zinc etc. in the open market from third parties during the financial year ended 31.03.2018 and is therefore subject to fluctuations in prices.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like HR Coil, Angle shape and section, Ingot and Zinc based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

The Company as a matter of policy has not hedged the commodity risk.

The following table details the Company's sensitivity to a 5% movement in the input price of HR Coil, Angle shape and section, Ingot, Zinc etc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit where the commodity prices increase by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit, and the balances below would be negative.

(₹ in lakhs)

DESCRIPTION	Increase		Decrease	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
HR Coil, Angle shape and section, Ingot, Zinc	4,770.97	4,183.94	(4,770.97)	(4,183.94)

31.7 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 is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in MCLR rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2018 would decrease / increase by ₹ 376.81 lakhs (for the year ended 31 March 2017: decrease / increase by ₹ 324.54 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

31.8 Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Notes on Financial Statement for the Year Ended 31 March, 2018

Ageing of Trade Receivable (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
0-180 days	16,698.43	17,079.53	15,465.37
180-365 days	1,608.78	884.02	502.73
Above 365 days	1,759.76	1,417.37	1,250.13

31.9 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The management of the Company has established an appropriate liquidity risk management framework for Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Liquidity exposure as at 31 March 2018 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	20,066.97			20,066.97
Cash and cash equivalents	226.75			226.75
Bank balances other than cash and cash equivalents	1,156.44			1,156.44
Total financial assets	**21,450.16**	**-**	**-**	**21,450.16**
Financial liabilities				
Long term borrowings	3,270.95	9361.64	3231.24	15,863.83
Short term borrowings	29,441.87			29,441.87
Trade payables	9,759.61			9,759.61
Total financial liabilities	**42,472.43**	**9,361.64**	**3,231.24**	**55,065.31**

Liquidity exposure as at 31 March 2017 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	19,380.92	-	-	19,380.92
Cash and cash equivalents	180.68	-	-	180.68
Bank balances other than cash and cash equivalents	1,058.14	-	-	1,058.14
Total financial assets	20,619.74	-	-	20,619.74
Financial liabilities				
Long term borrowings	2,162.27	9063.15	2692.24	13,917.66
Short term borrowings	27,404.35	-	-	27,404.35
Trade payables	9,141.04	-	-	9,141.04
Total financial liabilities	**38,707.66**	**9,063.15**	**2,692.24**	**50,463.05**

Notes on Financial Statement for the Year Ended 31 March, 2018

Liquidity exposure as at 1 April 2016 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	17,218.23	-	-	17,218.23
Cash and cash equivalents	196.97	-	-	196.97
Bank balances other than cash and cash equivalents	951.08	-	-	951.08
Other financial assets	-	-	-	-
Total financial assets	**18,366.28**	**-**	**-**	**18,366.28**
Financial liabilities				
Long term borrowings	1,459.03	7807.62	2,110.30	11,376.95
Short term borrowings	23,863.51	-	-	23,863.51
Trade payables	5,784.23	-	-	5,784.23
Other financial liabilities	-	-	-	-
Total financial liabilities	**31,106.77**	**7,807.62**	**2,110.30**	**41,024.69**

The Company has pledged its trade receivables and cash & cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

32. RELATED PARTY DISCLOSURES:

As per Ind AS-24, the disclosure of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Swachh Industries Limited	Subsidiary
GLS Steel India Limited	
GLS Engineering India Limited	
GLS Metallics India Limited	
Novalty Enterprises Private Limited	Fellow Subsidiary
Shri M. C. Garg, Chairman	Key Management Personnel
Shri R. C. Garg, Director	
Shri Nitin Garg , Director	
Shri Manish Garg	Relatives of Key Management Personnel
Shri Umesh Garg	
Excellent Fincap Pvt. Ltd.	Others (Enterprises Over which Key Management Personel are able to exercise significant influence)

Notes on Financial Statement for the Year Ended 31 March, 2018

ii) Transactions during the year with related parties: (₹ in lakhs)

Nature of Transactions	Subsidiary	Key Management Personnel	Relatives of Key Mgt. Personnel	Others	Total
Loans Taken:					
Current Year	-	-	-	1,018.00	1,018.00
Previous Year	-	-	-	1,704.34	1,704.34
Loans Repaid:					
Current Year	-	-	-	1,285.26	1,285.26
Previous Year	-	-	-	990.37	990.37
Interest Paid:					
Current Year	-	-	-	245.64	245.64
Previous Year	-	-	-	207.74	207.74
Remuneration Paid:					
Current Year	-	154.80	81.60	-	236.40
Previous Year	-	141.60	81.60	-	223.20

(iii) Balances with related parties as at March 31, 2018 : (₹ in lakhs)

Nature of Transactions	Subsidiary	Key Management Personnel	Relatives of Key Mgt. Personnel	Others	Total
Unsecured Loans					
Current Year	-	-	-	2,523.39	2,523.39
Previous Year	-	-	-	2,569.57	2,569.57
Investment					
Current Year	103.00	-	-	-	103.00
Previous Year	100.00	-	-	-	100.00
Other Liabilities					
Current Year	-	7.80	4.30	-	12.10
Previous Year	-	8.00	4.30	-	12.30

33. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Contingent Liabilities			
1. Outstanding bank guarantees issued by the banks & counter guaranteed by the Company and other guarantees	3,088.24	1,823.12	912.17
2. Bills discounted with Banks	2,802.55	1,857.19	1,658.22
3. Disputed demand under Central Excise & Commercial Tax U.P.	44.06	21.19	436.08
Commitments i) Estimated amount of contracts remaining to be executed on Capital Account and not provided for	3,767.04	6,569.30	666.56

Notes on Financial Statement for the Year Ended 31 March, 2018

34. Additional Information

A) VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF:

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Stores & Spares	20.00	103.35
Capital goods	351.29	413.51
Raw Material	224.29	3,392.32
TOTAL:	**595.58**	**3,909.18**

B) EXPENDITURE IN FOREIGN CURRENCY

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest and Bank Charges	37.53	103.34
Tours & Travelling	74.62	80.69
Advertisement & Subscription	26.98	5.44
Consultancy Charges & Inspection	105.48	1.13
Commission & Export Expenses	468.15	709.14

C) EARNING IN FOREIGN CURRENCY

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
FOB Value of Exports	31,516.92	27,295.67

35. SEGMENT INFORMATION

The Company is in the business of manufacturing and sale of steel products. Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

a) Revenue from operations

The following information discloses revenue from external customers based on geographical areas :

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
- Within India	91,891.88	91,218.63
- Outside India	36,665.90	27,284.34
Total Revenue	**128,557.78**	**118,502.97**

b) Non-current operating assets

All non –current assets of the company are located in India.

36. First time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

Notes on Financial Statement for the Year Ended 31 March, 2018

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

36.1. Exemptions and exceptions availed

(i) Ind AS optional exemptions

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value. There are no decommissioning liabilities of the Company.

Investment in subsidiaries, joint ventures & associates

There is an option to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 at either:

(a) Fair value on date of transition; or

(b) Previous GAAP carrying values

The Company has decided to use the previous GAAP carrying values for investment in subsidiaries as on the date of transition. The Company does not have any investment in joint venture & associates.

(ii) Ind AS mandatory exceptions

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 adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Derecognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has opted the policy of de-recognition prospectively.

Notes on Financial Statement for the Year Ended 31 March, 2018

36.2. Reconciliations of Balance Sheet

(₹ in lakhs)

DESCRIPTION	Note	As at 31 March 2017			As at 1 April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
A ASSETS							
(1) Non-current assets							
(a) Property, plant and equipment	1, 7	25,717.98	(149.52)	25,568.46	22,666.13	(159.54)	22,506.59
(b) Capital Work in Progress	1, 7	621.77	(179.58)	442.19	755.78	-	755.78
(c) Financial assets							
(i) Investment in subsidiaries	2	100.00	-	100.00	542.48	-	542.48
(d) Other non-current assets	3	303.81	-	303.81	245.87	-	245.87
Total - Non current assets		**26,743.56**	**(329.10)**	**26,414.46**	**24,210.26**	**(159.54)**	**24,050.72**
(2) Current assets							
(a) Inventories		23,371.70	(22.13)	23,349.57	18,378.31	(17.74)	18,360.57
(b) Financial Assets							-
(i) Trade receivables		19,380.92	-	19,380.92	17,218.23	-	17,218.23
(ii) Cash and cash equivalents		1,238.82	(1,058.14)	180.68	1,148.05	(951.08)	196.97
(iii) Other balances with banks		-	1,058.14	1,058.14	-	951.08	951.08
(c) Other current assets	8	7,958.17	(1,023.93)	6,934.24	6,149.26	(1,149.29)	4,999.97
Total - Current assets		**51,949.61**	**(1,046.06)**	**50,903.55**	**42,893.85**	**(1,167.03)**	**41,726.82**
TOTAL - ASSETS		**78,693.17**	**(1,375.16)**	**77,318.01**	**67,104.11**	**(1,326.57)**	**65,777.54**
B EQUITY AND LIABILITIES							
(3) Equity							
(a) Equity share capital		440.13	-	440.13	440.13	(0.00)	440.13
(b) Other equity	5	22755.96	(29.32)	22,726.64	20,580.53	191.33	20,771.86
Total - Equity		**23,196.09**	**(29.32)**	**23,166.77**	**21,020.66**	**191.33**	**21,211.99**
(4) Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	7	11755.39	(265.05)	11,490.34	9,917.92	(124.39)	9,793.53
(b) Provisions		245.94	-	245.94	191.09	-	191.09
(c) Deffered tax liabilities (net)	4	2565.23	(458.31)	2,106.92	2,239.51	(260.46)	1,979.05
Total - Non current liabilities		**14,566.56**	**(723.36)**	**13,843.20**	**12,348.52**	**(384.85)**	**11,963.67**
(5) Current liabilities							
(a) Financial liabilities							
(i) Borrowings		27404.35	-	27,404.35	23,863.51	-	23,863.51

Notes on Financial Statement for the Year Ended 31 March, 2018

(ii) Trade payables		9141.04	-	9,141.04	5,784.23	-	5,784.23
(b) Provisions	8	794.78	(622.48)	172.30	1,221.20	(1,133.05)	88.15
(c) Other current liabilities		3590.35	-	3,590.35	2,865.99	-	2,865.99
Total - Current liabilities		**40,930.52**	**(622.48)**	**40,308.04**	**33,734.93**	**(1,133.05)**	**32,601.88**
TOTAL - EQUITY AND LIABILITIES		**78,693.17**	**(1,375.16)**	**77,318.01**	**67,104.11**	**(1,326.57)**	**65,777.54**

36.3. Reconciliations of Profit & Loss for the year ended March 31, 2017

(₹ in lakhs)

DESCRIPTION	Note	As at 31 March 2017		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
I Revenue from operations (Gross)		118,502.97	1,919.78	120,422.75
Less: Excise Duty	9	11,121.94	(11,121.94)	-
Revenue from operations (Net)		**107,381.03**	**13,041.72**	**120,422.75**
II Other Income		2,513.22	(1,965.41)	547.81
III Total income		**109,894.25**	**11,076.31**	**120,970.56**
IV Expenses				
(a) Cost of raw materials consumed		81,858.51	-	81,858.51
(b) Purchase of stock-in-trade		15.55	-	15.55
(c) Changes in Inventories of Finished Goods, work-in- progress and Stock-in-trade		(4,021.66)	4.41	(4,017.25)
(d) Employee Benefit Expenses		5,728.36	-	5,728.36
(e) Finance Cost	7	4,771.20	38.91	4,810.11
(f) Depreciation & Amortization Expenses	1, 7	1,763.66	(10.02)	1,753.64
(g) Excise Duty expense	9	-	11,121.94	11,121.94
(h) Other Expenses		16,985.33	27.32	17,012.65
Total expenses		**107,100.95**	**11,182.56**	**118,283.51**
V Profit before exceptional item & tax (III - IV)		**2,793.30**	**(106.25)**	**2,687.05**
VI Exceptional Items				
VII Profit/(loss) before tax (V-VI)		**2,793.30**	**(106.25)**	**2,687.05**
VIII Tax Expenses				
Income tax for previous year		10.20	-	10.20
Current Tax		596.13	-	596.13
Deferred Tax	4	303.11	225.83	528.94
MAT Credit Entitlement/ Tax Adjustment		(312.27)	(111.41)	(423.68)
IX Profit for the years (VII-VIII)		**2,196.13**	**(220.67)**	**1,975.46**

Notes on Financial Statement for the Year Ended 31 March, 2018

36.4. Effects of IND AS adoption on Other equity

(₹ in lakhs)

DESCRIPTION	Note	As at 31.03.2017	As at 01.04.2016
Other equity as per previous GAAP		22,443.46	20,580.52
reclassification of share warrant		312.50	-
Dividend and tax on dividend	6	198.65	198.65
Tax effect on above adjustment	4	(73.61)	40.82
Others		(154.36)	(48.13)
Other equity under IND AS		**22726.64**	**20771.86**

36.5. Effects of IND AS adoption on Cash Flows for the year ended 31 March 2017

(₹ in lakhs)

DESCRIPTION	Note	As at 31 March 2017		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Net cash generated from (used in) operating activities	1,7,8	2,609.80	(351.11)	2,258.69
Net cash generated from (used in) investing activities	1	(3,927.00)	368.47	(3,558.53)
Net cash generated from (used in) financing activities	6,7	1,404.21	(120.66)	1,283.55
Net increase/ (decrease) in cash and cash equivalents		**87.01**	**(103.31)**	**(16.29)**
Cash and cash equivalents at start of year/ period		1,148.05	(951.08)	196.97
Pursuant to the Scheme of Amalgamation		3.76	(3.76)	-
Cash and cash equivalents at close of year/period		**1,238.82**	**(1,058.14)**	**180.68**

36.6. Notes to 'first-time adoption of IND AS

1. Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Company has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

2. Fair valuation of investments

The Company has decided to use the previous GAAP carrying values and not to fair value its investments in subsidiariesas on the date of transition.

3. Security deposit

Security deposit mainly comprises of deposits given to electricty department, rental deposits etc. These all are short term in nature and hence they have been classified under current financials assets.Their fair value is equal to their carrying value as disclosed in the financials.

4. Deferred tax as per balance sheet approach:

Under previous GAAP, deferred tax was accounted using the income statement approach, on the

Notes on Financial Statement for the Year Ended 31 March, 2018

timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized using balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

5. Retained earnings

Retained earnings as at April 01, 2016 has been adjsuted consequent to the IND AS adjustments.

6. Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend tax of ` 198.65 lakhs as at April 01, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

7. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition, under previous GAAP they were shown towards cost of capital assets. Thus as per Ind AS, these costs are to be charged to the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly, borrowings as at March 31, 2017 have been reduced by ₹ 265.05 lakhs (April 01, 2016 — ₹ 124.38 Lakhs).

The retained earning for the period ended on March 31,2017 is decreased by ₹ 38.91 lakhs on account of notional interest expense on term loans from financial institutions.

8. Provision

As per Ind AS the provision for current tax under the head "Short term provision" has been shown net of prepaid income tax. Under previous GAAP, the current tax liability provison was shown under the head "Short Term Provision" and prepaid income tax was shown under the head "Short term loans & advances."

9. Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS,revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by ₹ 11121.94 lakhs. There is no impact on the total equity and profit.

37. During the year, the Company has incurred an amount of ₹ 35.92 Lakhs. (Previsous year ₹ 7.10 Lakhs) towards Corporate Social esponsibility expenditure.

38. With effect from July 1, 2017 the goods and service tax (GST) has replaced Excise Duty, Cess etc. Accordingly, post applicability of GST, revenue from operation is disclosed net of GST. Hence the revenue from operations and expenses for the year ended March 31, 2018 are not comparable with the previous period to that extent.

39. The previous year figures have been regrouped / reclassified / rearranged, wherever necessary to confirm to the current year presentation.

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Consolidated Ind AS Financial Statements

Independent Auditors' Report

To The Members of
GOODLUCK INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of Goodluck India Limited ('The Company' or 'the Parent Company') and its subsidiaries (the Company and its subsidiaries company together referred as 'the Group'), which comprises the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information ('the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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 Consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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

Other Matter

We did not audit the financial statements of one subsidiary whose financial statement reflect total assets of ₹ 2793.74 lakhs as at 31st March, 2018, total revenue of ₹ 430.57 lakhs and net profit after tax of ₹ 126.59 lakhs for the year

ended on that date, as considered in the consolidated Ind AS financial Statements. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated Ind AS financial statement, in so far as it relate to the amounts and disclosure included in respect of this subsidiary and our report in terms of sub section (3) of section 143 of the Act, in so far as it relate to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditor on separate financial statements of one subsidiary company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements.

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

   c. The Consolidated Balance Sheet, The Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   e. On the basis of written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company and the report of the statutory auditor of its subsidiary company, none of the Directors of the Group companies incorporated in India 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 A" which is based on the auditor's report of the parent, subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent subsidiaries companies incorporated in India.

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

      (i) The Group has disclosed the impact of pending litigations on its consolidated financial position of the Group.

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

      (iii) There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiaries.

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 30th May 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Goodluck India Limited ('the Parent' or 'the Company') as on March 31, 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Group considering 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 (the 'Guidance Note'). Theses 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 Group's policies, the safeguarding of its asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with the 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group 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 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditor referred to Other Matter paragraph below, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial

reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not qualified in respect of these matters.

For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 007171C

(S. AGARWAL)
Partner
M.NO. 072907

Place : GHAZIABAD
Date : 30th May 2018

Consolidated Balance Sheet

(₹ In lakhs)

PARTICULARS	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A ASSETS				
(1) Non-current assets				
(a) Property, plant and equipment	4	25,197.13	25,568.46	23,244.26
(b) Capital Work in Progress		5,689.74	442.19	795.78
(c) Financial assets		-	-	-
(d) Other non-current assets	5	2,851.04	331.04	308.96
Total - Non current assets		**33,737.91**	**26,341.69**	**24,349.00**
(2) Current assets				
(a) Inventories	6	23,909.98	23,385.89	18,360.57
(b) Financial Assets				
(i) Trade receivables	7	20,348.48	19,380.92	16,751.31
(ii) Cash and cash equivalents	8	231.46	182.70	199.79
(iii) Other balances with banks	9	1,209.51	1,058.14	951.08
(c) Other current assets	10	9,578.11	9,433.26	5,064.84
Total - Current assets		**55,277.54**	**53,440.91**	**41,327.59**
TOTAL - ASSETS		**89,015.45**	**79,782.60**	**65,676.59**
B EQUITY AND LIABILITIES				
(3) Equity				
(a) Equity share capital	11	460.13	440.13	440.13
(b) Other equity	12	27,369.50	25,051.90	20,637.35
Total - Equity		**27,829.63**	**25,492.03**	**21,077.48**
(4) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	12,406.81	11,490.34	9,813.53
(b) Provisions	14	311.39	245.94	191.09
(c) Deffered tax liabilities (net)	15	2,595.86	2,106.92	1,974.33
Total - Non current liabilities		**15,314.06**	**13,843.20**	**11,978.95**
(5) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	29,441.87	27,404.35	23,863.51
(ii) Trade payables	17	9,950.65	9,141.04	5,809.79
(b) Provisions	18	245.31	274.67	80.87
(c) Other current liabilities	19	6,233.93	3,627.31	2,865.99
Total - Current liabilities		**45,871.76**	**40,447.37**	**32,620.16**
TOTAL - EQUITY AND LIABILITIES		**89,015.45**	**79,782.60**	**65,676.59**

The accompanying notes are an intergral part of Consolidated financial statements.

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Statement of Profit and Loss

(₹ In lakhs)

	PARTICULARS	Note No.	Year ended on 31st March, 2018	Year ended on 31st March, 2017
I	**Revenue from operations**	20	130,586.63	120,422.75
II	**Other Income**	21	432.11	547.81
III	**Total income**		**131,018.74**	**120,970.56**
IV	**Expenses**			
	(a) Cost of raw materials consumed	22	94,255.18	81,858.51
	(b) Purchase of stock-in-trade		370.54	15.55
	(c) Changes in Inventories of Finished Goods, work-in-progress and Stock-in-trade	23	(375.85)	(4,017.25)
	(d) Employee Benefit Expenses	24	5,829.11	5,728.36
	(e) Finance Cost	25	5,624.50	4,810.11
	(f) Depreciation & Amortization Expenses	26	1,988.04	1,753.64
	(g) Excise Duty expense		3,208.18	11,121.94
	(h) Other Expenses	27	17,429.03	17,012.72
	Total expenses		**128,328.73**	**118,283.58**
V	**Profit before exceptional item & tax (III - IV)**		**2,690.01**	**2,686.98**
VI	**Exceptional Items**			
VII	**Profit/(loss) before tax (V-VI)**		**2,690.01**	**2,686.98**
VIII	Tax Expenses			
	Income tax for previous year		16.77	10.20
	Current Tax		585.55	596.13
	Deferred Tax		76.45	528.94
	MAT Credit Entitlement/ Tax Adjustment		412.49	(423.68)
IX	**Profit for the years (VII-VIII)**		**1,598.75**	**1,975.39**
X	**Other Comprehensive Income for the period**			
A	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income		-	-
XI	**Total Comprehensive income for the year**		**1,598.75**	**1,975.39**
XII	**Earnings per share**			
	Basic and Diluted	29	7.19	8.98

The accompanying notes are an intergral part of Consolidated financial statements.

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Consolidated Cash Flow Statement

(₹ In lakhs)

PARTICULARS		Year ended on 31st March, 2018	Year ended on 31st March, 2017
A. Cash Flow from operating activities:			
Net Profit before tax as per Profit & Loss Account		2,690.01	2,686.98
Adjustment for:			
Depreciation		1,988.04	1,753.64
Profit on Sale of tangible Assets		(105.31)	(76.81)
Interest Income		(326.80)	(188.90)
Unrealised Exchange loss (Gain)		96.36	(306.27)
Finance Cost		5,624.50	4,810.11
Operating Profit before working capital changes		**9,966.80**	**8,678.75**
Adjustment for:			
Increase/ (Decrease) in Trade payable		809.62	3,331.25
Increase/ (Decrease) in other payable		1,579.03	34.10
(Increase) / Decrease in Inventories		(524.10)	(4,988.99)
(Increase) / Decrease in Trade receivable		(967.55)	(2,629.61)
(Increase) / Decrease in Other receivable		(2,758.21)	(1,735.07)
Cash Generated from Operating Activities		**8,105.59**	**2,690.43**
Taxes Paid		(787.71)	(412.53)
Net Cash Flow From Operating Activities	**TOTAL (A)**	**7,317.88**	**2,277.90**
B. Cash flow from Investing Activities			
Payment for property, plant & equipment		(6,916.57)	(3,776.93)
Proceeds from sale of property, plant & equipment		157.63	129.49
Payment for purchase of Investments in subsidiary		(3.00)	(100.00)
Interest Income		326.80	188.90
Net Cash used in Investing Activities	**TOTAL (B)**	**(6,435.14)**	**(3,558.54)**
C. Cash flow from Financing Activities			
Proceeds from issue of Equity Shares & Warrants		937.50	312.50
Proceeds from short term borrowings		2,037.52	3,540.84
Proceeds from long term borrowings (net)		1,981.34	1,499.12
Proceeds (Payment of) from Unsecured Loans (net)		(1.18)	880.94
Interest Paid		(5,590.51)	(4,771.20)
Dividend Paid		(198.65)	(198.65)
Net Cash Flow from Financing Activies	**TOTAL (C)**	**(833.98)**	**1,263.55**
Net increase in cash and cash Equivalents	**(A+B+C)**	48.75	(17.09)
Cash and cash equivalents at the beginning of the year		182.70	199.79
Cash and cash equivalents at the end of the year		231.46	182.70

1 . The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS-7
2. Figures in bracket indicate Cash Outflow

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Consolidated Statement of Changes in Equity for the Year Ended 31 March, 2018

A. Equity Share Capital (₹ In lakhs)

Equity Shares of ₹2/- each issued, subscribed and fully paid	No. of Shares	Amount
As at April 1, 2016	**22,006,250**	**440.13**
Issued during the year	-	-
As at March, 31 2017	22,006,250	440.13
Issued during the year	**1,000,000**	**20.00**
As at March, 31 2018	**23,006,250**	**460.13**

B. Other Equity (₹ in lakhs)

	Share Warrant Pending Allot-ment	Capital Reserve on bargain purchase	Share Premium	General Reserve	Retained Earnings	Other Compre-hensive Income	Total Equity
As at April 1, 2016	**-**	**-**	**2,651.43**	**3,362.44**	**14,623.48**	**-**	**20,637.35**
Profit for the year	-	-	-	-	1,975.39	-	1,975.39
Transfer within equity	-	-	-	400.00	(400.00)	-	-
Share warrant money received	312.50	-	-	-	-	-	312.50
Movement during the year	-	2,325.31	-	-	-		2,325.31
Total Comprensive in-come	**312.50**	**2,325.31**	**-**	**400.00**	**1,575.39**	**-**	**4,613.20**
Final dividend on equity Shares	**-**	**-**	**-**	**-**	**(165.05)**	**-**	**(165.05)**
Tax on Interim dividend & Final dividend	-	-	-	-	(33.60)	-	(33.60)
As at April 1, 2017	**312.50**	**2,325.31**	**2,651.43**	**3,762.44**	**16,000.22**	**-**	**25,051.90**
							-
Profit for the year	-	-	-	-	1,598.75	-	1,598.75
On share issued during the year	(312.50)	-	1,230.00	-	-	-	917.50
Total Comprensive in-come	**(312.50)**	**-**	**1,230.00**	**-**	**1,598.75**	**-**	**2,516.25**
Final dividend on equity Shares	-	-	-	-	(165.05)	-	(165.05)
Tax on Final dividend on equity Shares	-	-	-	-	(33.60)	-	(33.60)
As at March 31, 2018	**-**	**2,325.31**	**3,881.43**	**3,762.44**	**17,400.32**	**-**	**27,369.50**

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

Notes on Consolidated Financial Statement for the year ended 31st March, 2018

1. COMPANY OVERVIEW

Goodluck India Limited ('The Company' or 'the Parent') and its subsidiaries (together referred to as "the Group") are engaged in the business of manufacture and sale of engineering product i.e. heavy engineered structure, transmission and distribution tower, CDW Tubes, Precision Tubes, Pipes, Sheets and forged engineering products at its manufacturing facilities located at Sikandrabad, Industrial Area, and Dadri in Uttar Pradesh.

Goodluck India Limited is a public limited company, incorporated on November 06, 1986 and is listed on BSE Ltd and NSE Ltd.

2. SIGNIFICANT ACCOUNTING POLICIES

A. STATEMENT OF COMPLIANCE

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 30 May 2018.

For all accounting periods up to and including the year ended 31 March 2017, the Group prepared its Consolidated financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Consolidated Financial Statements of the Group. The date of transition to Ind AS is 1 April, 2016.

B. FIRST TIME ADOPTION OF IND AS

The Group has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

C. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Group has prepared its Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31 March, 2018, and accounting policies and other explanatory information in accordance with the notification issued by the Ministry of Corporate Affairs as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017.

The Group follows the mercantile system of accounting and recognizes income and expenses on accrual basis. The consolidated financial statements have been prepared on historical cost basis.

`The Group's Consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency.

D. BASIS OF CONSOLIDATION

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like item of assets, liabilities, equity, income and expense. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Notes on Consolidated Financial Statement for the year ended 31st March, 2018

E. BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. If The consideration transferred for the acquisition of a subsidiary, over the fair value of the net identifiable assets acquired, is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in other equity as capital reserve

Business combinations – common control transaction

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

F. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on property, plant and equipment is provided using straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

G. INVENTORY

Inventories are stated at the lower of cost and net realizable value except in case of waste and scrape which are valued at net realizable value.

Cost of raw material includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

H. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. The Group recognizes revenues on sale of products, net of discounts, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of waste and scrap are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount

Notes on Consolidated Financial Statement for the year ended 31st March, 2018

of income can be measured reliably. Interest income is accrued on a time basis, using effective interest rate.

I. EMPLOYEES' BENEFITS

Retirement benefits, such as gratuity are accounted for on the basis of provisions as lay down under Ind AS-19 "Employee Benefits" for employees are as per the certificate provided by the management.

Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense when employees have rendered service entitling them to the contribution.

Group's contribution to state defined contribution plan namely, Employee State Insurance are made in accordance with the statute, and are recognized as an expenses when employees have rendered services entitling them to the contribution.

J. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

K. FOREIGN CURRENCY TRANSACTIONS

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian Rupee (₹).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

L. FINANCIAL INSTRUMENTS

1. Financial Assets

I. Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value are adjusted through profit or loss on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

II. Subsequent measurement

i) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss (FVTPL)

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

III. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

2. Financial liabilities

I. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

II. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3. Derivative financial instruments

The Group uses various derivative financial instruments such as interest rate swaps, currency swaps and forwards contracts to mitigate the risk of changes in interest rates, exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

4. Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

M. LITIGATION

The Group is subject to legal proceedings and claims which have arisen in the ordinary course of business. The Group's management does not reasonably expect that these legal actions when ultimately concluded and determined will have a material and adverse affect on the Group's result of operations or financial condition.

N. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

O. PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of

a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

P. CASH AND CASH EQUIVALENT

Cash and cash equivalent in the Balance Sheet comprise cash at banks and in hand.

Q. EARNING PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. CRITICAL ESTIMATION AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 15
- Estimation of defined benefit obligation – Note 14
- Recognition of deferred tax assets for carried forward tax losses – Note 15

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes on Consolidated Financial Statement for the year ended 31st March, 2018

4. Property, Plant and equipment

(Rs.in Lakhs)

Particulars	Leasehold Land	Freehold Land	Factory Building	Office Building	Plant & Machinery	Furniture & fixture	Office equipment	Computer	Vehicle	Total	Capital work-in-progress
Cost/Deemed cost as at April 1, 2017	822.86	555.18	5,276.33	221.33	19,023.39	656.13	129.77	64.04	571.21	27,320.24	442.19
Additions	-	15.01	68.39	-	1,351.71	26.35	15.24	17.67	180.71	1,675.08	5,778.15
Disposals	-	-	-	-	50.21	-	-	-	29.25	79.46	530.60
Cost/Deemed cost as at March 31, 2018	**822.86**	**570.19**	**5,344.72**	**221.33**	**20,324.89**	**682.48**	**145.01**	**81.71**	**722.67**	**28,915.86**	**5,689.74**
Accumulated depriciation as at April 1, 2017	-	-	159.79	3.58	1,383.24	62.93	30.04	17.29	94.91	1,751.78	-
Charge for the period	-	-	185.75	3.63	1,572.21	68.00	30.29	20.98	107.18	1,988.04	-
Disposals	-	-	-	-	6.51	-	-	-	14.58	21.09	-
Accumulated depriciation as at March 31, 2018	**-**	**-**	**345.54**	**7.21**	**2,948.94**	**130.93**	**60.33**	**38.27**	**187.51**	**3,718.73**	**-**
Net Carrying value as at March 31, 2018	**822.86**	**570.19**	**4,999.18**	**214.12**	**17,375.95**	**551.55**	**84.68**	**43.44**	**535.16**	**25,197.13**	**5,689.74**

(Rs.in Lakhs)

Particulars	Leasehold Land	Freehold Land	Factory Building	Office Building	Plant & Machinery	Furniture & fixture	Office equipment	Computer	Vehicle	Total	Capital work-in-progress
Cost/Deemed cost as at April 1, 2016	805.31	555.18	4,468.66	162.13	16,251.55	411.68	82.66	33.51	473.58	23,244.26	795.78
Additions	17.55	-	807.67	61.00	2,771.89	289.34	47.11	30.53	105.43	4,130.52	402.19
Disposals	-	-	-	1.80	0.05	44.89	-	-	7.80	54.54	755.78
Cost/Deemed cost as at March 31, 2017	**822.86**	**555.18**	**5,276.33**	**221.33**	**19,023.39**	**656.13**	**129.77**	**64.04**	**571.21**	**27,320.24**	**442.19**
Accumulated depriciation as at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-
Charge for the period	**-**	**-**	**159.79**	**3.58**	**1,383.24**	**62.93**	**30.04**	**17.29**	**96.77**	**1,753.64**	**-**
Disposals	-	-	-	-	-	-	-	-	1.86	1.86	-
Accumulated depriciation as at March 31, 2017	**-**	**-**	**159.79**	**3.58**	**1,383.24**	**62.93**	**30.04**	**17.29**	**94.91**	**1,751.78**	**-**
Net Carrying value as at March 31, 2017	**822.86**	**555.18**	**5,116.54**	**217.75**	**17,640.15**	**593.20**	**99.73**	**46.75**	**476.30**	**25,568.46**	**442.19**

5. OTHER NON CURRENT ASSETS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(Unsecured, unconfirmed, Considered good)			
Security Deposits	342.32	303.81	278.46
Others	2,508.72	27.23	30.50
TOTAL:	**2,851.04**	**331.04**	**308.96**

6. INVENTORIES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(As taken, valued and certified by the management)			
(At lower of cost and net realizable value unless stated otherwise)			
Raw Materials	8,408.76	8,126.87	7,290.61
Work-in-progress	5,467.09	5,347.11	2,484.48
Finished Goods	9,175.75	8,919.88	7,765.26
Stores, Spares & Packing Materials	822.06	955.71	820.22
Trading Goods	36.32	36.32	-
TOTAL:	**23,909.98**	**23,385.89**	**18,360.57**

Inventories have been pledged as security against certain bank borrowings as at 31 March 2018

7. TRADE RECEIVABLES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unsecured and Considered good	20,348.48	19,380.92	16,751.31
TOTAL:	**20,348.48**	**19,380.92**	**16,751.31**

Trade receivables are netted with Bill discounting of ₹ 2,802.55 lakhs (March 31, 2017- ₹ 1,857.19 lakhs, April 1, 2016 - ₹1,658.22 lakhs)

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Group does not hold any collateral or other credit enhancements over the balances of trade receivables.

Trade receivables have been given as collateral towards borrowings from financial institutions.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

8. CASH AND CASH EQUIVALENT

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash in hand	31.20	40.30	60.59
Unrestricted Balances with banks	200.26	142.40	139.20
TOTAL:	**231.46**	**182.70**	**199.79**

9. OTHER BALANCES WITH BANKS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Earmarked balances with Banks	1,209.51	1,058.14	951.08
TOTAL:	**1,209.51**	**1,058.14**	**951.08**

Earmarked balances with bank represents balances held for unpaid dividends and margin money against issue of bank guarantees, letter of credit, stand by letter of credit and security against tenders.

10. OTHER CURRENT ASSETS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
(Unsecured, unconfirmed, Considered good)			
Advances to supplier	3,742.41	1,430.21	1,692.82
Capital Advances	767.04	104.32	366.56
Prepaid Expenses	240.31	229.75	180.31
Others	295.49	2,993.34	164.42
Export benefits and entitlements	552.55	530.48	671.14
Tax balances /recoverable/ credits	3,980.31	4,145.16	1,989.59
TOTAL:	**9,578.11**	**9,433.26**	**5,064.84**

11. EQUITY SHARE CAPITAL

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Authorised Capital			
63,750,000 Equity Shares of ₹ 2/- each (63,750,000 equity shares			
as at March 31, 2017 and 50,000,000 equity shares as at April 1, 2016)	1,275.00	1,275.00	1,000.00
Issued, subscribed and fully paid -up capital			
2,30,06,250 Equity Shares of ₹ 2/- each (2,20,06,250 equity shares			
as at March 31, 2017 and 2,20,06,250 equity shares as at April 1, 2016)	460.13	440.13	440.13
TOTAL:	**460.13**	**440.13**	**440.13**

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in ensuing general meeting.

The company has issued 10,00,000 Equity shares on 05.01.2018 against Convertible Share Warrants at the price of Rs. 125/- each at a premium of Rs. 123/- per share

The details of shareholders holding more than 5% shares:

DESCRIPTION		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mr. Nitin Garg	No. of Shares	1486750	1486750	1486750
	% held	6.46	6.76	6.76
Reliance Capital Trustee Co. Ltd A/c Reliance Small Cap Fund	No. of Shares	-	1649640	-
	% held	-	7.50	-

12. OTHER EQUITY

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Reserve	2,325.31	2,325.31	-
General reserve	3,762.44	3,762.44	3,362.44
Retained earnings	17,400.32	16,000.22	14,623.48
Other reserves:			
Security premium account	3,881.43	2,651.43	2,651.43
Share warrant	-	312.50	-
Total	**27,369.50**	**25,051.90**	**20,637.35**

(i) Capital reserve

Reserve is primarily created on amalgamation as per statutory requirement.

(ii) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the General reserves.

The Company has not transferred any amount to general reserve during the year.

(iii) Dividends

On 29 May 2017, in respect of financial year 2016-17, the directors proposed a final dividend of ₹ 0.75 per equity share (dividend of ₹ 165.05 lakhs) to be paid to shareholders. This dividend was approved by the shareholders at the Annual General Meeting held on 29th september 2017.The dividend amounting to ₹ 165.05 lakhs which was paid on 03 october 2017, has been reduced from retained earnings.

13. LONG-TERM BORROWINGS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Term Loans:			
Secured Loan	10,002.82	9,185.82	8,249.29
Unsecured Loans	66.66	-	-
Other Loans			
Related Parties	2,523.39	2,569.57	1,688.63
Others	45.00	-	-
Unamortised upfront fees on borrowing	(231.06)	(265.05)	(124.39)
Net Amount	**12,406.81**	**11,490.34**	**9,813.53**

(₹ in lakhs)

Terms of repayments	31-Mar-18		31-Mar-17		1-Apr-16	
	Non-current	Current	Non-current	Current	Non-current	Current
Rupee Term Loans From Banks (Secured)						
4 quarterly installment of Rs. 62.50 lakhs each from 30.06.2018 to 30.03.2019	-	250.00	250.00	250.00	500.00	250.00
16 quarterly installment of Rs. 65.00 lakhs each from 30.06.2018 to 30.03.2022	780.00	260.00	800.00	200.00	-	-
12 quarterly installment of Rs. 166.67 lakhs each from 16.07.2018 to 16.04.2021	1,500.00	500.00	2,000.00	-	2,000.00	-
13 quarterly installment of Rs. 125.00 lakhs each from 31.05.2018 to 31.05.2021	1,125.00	500.00	1,625.00	442.31	2,067.31	259.62
13 quarterly installment of Rs. 150.00 lakhs each from 31.05.2018 to 31.05.2021	1,350.00	600.00	1,950.00	531.00	2,481.00	312.00
paid on 25.08.2016	-	-	-	-	-	216.00
paid on 25.08.2016	-	-	-	-	-	143.71

First charge on fixed assets of the Company located at A-42, A-45 , A-51, A-59 & D-4 Industrial Area, Sikandrabad, Distt. Bulandshahr (U.P.) and Plot No. 2839 Dhoom Manikpur, Dadri (U.P.). and second charge on entire current assets of the Company , both present & future and personal guarantee of the directors of the Company and their relatives.

4 quarterly installment of Rs. 150.00 lakhs each from 31.03.2019 to 31.12.2019, 4 quarterly installment of Rs. 175.00 lakhs each from 31.03.2020 to 31.12.2020, 12 quarterly installment of Rs. 325.00 lakhs each from 31.03.2021 to 31.12.2023 (Amt. Disbursed till 31.03.2018 is Rs. 3775.18 lakhs	3,666.28	108.90	280.40	-	-	-

First charge on entire fixed assets located at Village Bhachau distt. Kutch, Gujarat and second pari passu charge on entire current assets located at Village Bhachau distt. Kutch, Gujarat and personal guarantee of the directors of the Company

Rupee Term Loans From NBFC (Secured)						
34 monthly installment of Rs. 9.80 lakhs each from 05.04.2018 to 05.01.2021	215.69	117.65	333.34	117.65	450.98	49.02

First exclusive charge on specified Machinery located at Plot No. 2839 Dhoom Manikpur, Dadri (U.P.).

11 quarterly installment of Rs. 50.00 lakhs each from 05.04.2018 to 05.10.2020	350.00	200.00	550.00	200.00	750.00	200.00
15 quarterly installment of Rs. 32.50 lakhs each from 05.04.2018 to 05.10.2021	357.50	130.00	487.50	130.00	-	-
37 monthly installment of Rs. 24.58 lakhs each from 05.04.2018 to 05.04.2021	614.58	295.00	909.58	270.42	-	-

First charge on fixed assets of the Company located at A-42, A-45, A-51, A-59 & D-4 Industrial Area, Sikandrabad, Distt. Bulandshahr (U.P.) and Plot No. 2839 Dhoom Manikpur, Dadri (U.P.). and second charge on entire current assets of the Company , both present & future and personal guarantee of the directors of the Company and their relatives.

35 monthly installment of Rs. 2.28 lakhs (including interest) each from 18.04.2018 to 18.09.2020	43.76	22.70	-	-	-	-

First exclusive charge on specified Vehicles

Rupee Term Loans From NBFC (Unsecured)						
16 monthly installment of Rs. 16.67 lakhs each from 08.04.2018 to 08.07.2019	66.67	200.00	-	-	-	-
	10,069.48	**3,184.25**	**9,185.82**	**2,141.38**	**8,249.29**	**1,430.35**

14. LONG-TERM PROVISIONS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Employees Benefits			
Provision for Gratuity / Leave Benefits	311.39	245.94	191.09
TOTAL:	**311.39**	**245.94**	**191.09**

15. Income Tax

Income of companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried on book profits adjusted for certain items as compared to the adjustments followed for assessing regular income tax under normal provisions. The Company has made the provision of current tax after set off of brought forward of MAT credit.

(a) Income tax expense / (benefits)

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Current tax :		
Current tax	585.55	596.13
Tax provision/(reversal) for earlier years	16.77	10.20
Deferred tax :		
Deferred tax	76.45	528.94
MAT credit entitlement	412.49	(423.68)
Total deferred tax	488.94	105.26
Total Tax expense / (benefit)	**1,091.26**	**711.59**

(b) Reconciliation of effective tax rate :

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Net income before taxes	2,690.01	2,686.98
Enacted tax rate in India	34.608%	34.608%
Computed tax expense	930.96	929.91
Increase/(reduction) in taxes on account of:		
Income exempt from taxation /Items not deductible	114.34	(75.77)
Additional tax benefit for capital investment	-	(152.75)
Adjustment in respect of deffered tax on account of increase in rate of tax	29.19	-
Effect of tax pertaining to prior years	16.77	10.20
Tax expense for the year	1,091.26	711.59
Effective income tax rate	**40.57**	**26.48**

DEFERRED TAX LIABILITY (Net)

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deferred Tax Liability			
Deferred tax liabilities (net)	2,815.76	2,739.31	2,210.37
MAT credit entitlement	(219.90)	(632.39)	(236.04)
TOTAL:	**2,595.86**	**2,106.92**	**1,974.33**

Deferred tax balance in relation to	As at 31 March 2017	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	As at 31 March 2018
Property, plant and equipment	2,528.02	552.47	-	3,080.49
Provisions	211.29	(476.02)	-	(264.73)
Total	**2,739.31**	**76.45**	**-**	**2,815.76**

Deferred tax balance in relation to	As at 1 April 2016	Recognised/ reversed through profit and loss	Recognised in/ reclassified from OCI	As at 31 March 2017
Property, plant and equipment	2,287.37	240.65	-	2,528.02
Provisions	(77.00)	288.29	-	211.29
Total	**2,210.37**	**528.94**	**-**	**2,739.31**

Movement in MAT credit entitlement:

(₹ in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Balance at the beginning of year	632.39	236.04
Add: MAT credit entitlement availed (reversed) during the year	(412.49)	423.68
Less: Written off of MAT credit	-	(27.33)
Balance at the end of year	**219.90**	**632.39**

The Group expects to utilize the MAT credit within a period of 15 years

16. SHORT TERM BORROWINGS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured Loans:			
From Banks (Working Capital Loan)	29,441.87	27,404.35	23,717.12
From Others	-	-	146.39
TOTAL:	**29,441.87**	**27,404.35**	**23,863.51**

Working capital limits from Banks comprising of Cash credit Limits / Export credit Limits / Bills discounted/ Buyer's Credit are secured by first charge on entire current assets of the Company including stocks of raw-materials, work-in-progress, stock lying in godown and ports, finished goods and book debts both present & future. Working capital limits from Banks are further secured by way of second charge on entire fixed assets of the Company, equitable mortgage of two immovable properties belonging to the directors of the Company and their relatives , situated at Plot No. II -F - 166 & II - F-167, Nehru Nagar , Ambedkar Road , Ghaziabad (U.P.) and personal guarantee of the directors of the Company and their relatives. Loan from Others are secured by way of pledge of Key Men Life insurance policies of the company

17. TRADE PAYABLES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade creditors	9,950.65	9,141.04	5,809.79
TOTAL:	**9,950.65**	**9,141.04**	**5,809.79**

18. SHORT-TERM PROVISIONS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Mark-to-market on forward	155.64	-	-
Provision for:			
Other Payable	0.38	-	-
Current Taxes	89.29	274.67	80.87
TOTAL:	**245.31**	**274.67**	**80.87**

19. OTHER CURRENT LIABILITIES

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Current maturities of long-term debt (Refer Note No. 13)	3,225.96	2,162.27	1,459.02
Unclaimed Dividends	25.14	22.06	23.98
Creditors for Capital Expenditure	591.93	119.12	380.54
Advance received from customer	809.66	415.63	310.41
Statutory dues	103.06	139.18	95.04
Other Payables	1,478.18	769.05	597.00
TOTAL:	6,233.93	3,627.31	2,865.99

20. REVENUE FROM OPERATIONS

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Sale of products	128,812.03	118,453.37
Job Charges Received	79.41	49.60
Other operating revenues		
Export Benefits	1,369.05	847.67
Exchange Fluctuation	326.14	1,072.11
TOTAL:	**130,586.63**	**120,422.75**

21. OTHER INCOME

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest Income	326.80	188.90
Other Income	105.31	358.91
TOTAL:	**432.11**	**547.81**

22. COST OF RAW MATERIAL CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Inventory at the beginning of the year	8,126.87	7,290.61
Add: Purchases	94,537.07	82,694.77
	102,663.94	89,985.38
Less: Inventory at the end of the year	8,408.76	8,126.87
Cost of raw material consumed	**94,255.18**	**81,858.51**

22.1 VALUE OF IMPORTED/INDEGENOUS RAW MATERIAL CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Imported	261.24	3,355.37
Imported (% of consumption)	0.28%	4.10%
Indigenous	93,993.94	78,503.14
Indigenous (% of consumption)	99.72%	95.90%
TOTAL:	**94,255.18**	**81,858.51**

23. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK -IN-PROCESS AND STOCK-IN-TRADE

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Inventories at the beginning of the year		
Work-in-progress	5,347.11	2,484.48
Finished goods / Stock-in-Trade	8,919.88	7,765.26
	14,266.99	**10,249.74**
Inventories at the end of the year		
Work-in-progress	5,467.09	5,347.11
Finished goods / Stock-in-Trade	9,175.75	8,919.88
	14,642.84	**14,266.99**
TOTAL:	**(375.85)**	**(4,017.25)**

24. EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Salaries, Wages & Bonus	5,458.69	5,378.26
Contribution to provident and other fund	278.71	261.15
Staff Welfare Expenses	91.71	88.95
TOTAL:	**5,829.11**	**5,728.36**

25. FINANCE COST

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest on borrowings	4,994.95	4,341.69
Bank Commission & Charges	595.56	429.51
Unwinding of interest on financial liabilities carried at amortised cost	33.99	38.91
TOTAL:	**5,624.50**	**4,810.11**

26. DEPRECIATION & AMORTIZATION EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Depreciation on tangible assets	1,988.04	1,753.64
TOTAL:	**1,988.04**	**1,753.64**

27. OTHER EXPENSES

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Consumption of stores and spares	4,870.38	4,731.22
Power & Fuel Expenses	2,616.66	3,132.64
Processing Charges	812.86	1,092.12
Repairs & Maintenance :		
a) Plant & Machinery	543.79	545.53
b) Building	62.57	66.93
c) Others	90.71	91.72
Freight & Forwarding	5,070.68	4,253.06
Advertisement	21.65	24.53
Commission & Rebate	983.91	828.50
Selling & Sales Promotion	54.93	98.60
Packing Materials	736.95	824.15
Printing & Stationery	39.24	40.55
Postage, Telegram & Telephone	60.54	94.10
Travelling and Conveyance	740.46	675.08
Legal & Professional Expenses	314.42	133.62
Insurance	74.68	74.06
Rates, Taxes & Fees	117.21	147.62
CSR Expenses	35.92	7.10
Miscellaneous Expenses	181.47	151.59
TOTAL:	**17,429.03**	**17,012.72**

27.1. VALUE OF STORES & SPARES CONSUMED

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Imported	40.03	83.32
Imported (% of consumption)	0.82%	1.76%
Indigenous	4,830.35	4,647.89
Indigenous (% of consumption)	99.18%	98.24%
TOTAL:	**4,870.38**	**4,731.22**

28. PAYMENT TO AUDITORS AS:

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Auditors		
Statutory Audit Fees	3.85	3.56
Tax Audit Fees	0.50	0.50
Certificate and Consultation Fees	0.50	0.31
TOTAL:	**4.85**	**4.37**

29. EARNING PER SHARE

(₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Net profit after tax as per Statement of Profit and Loss		
attributable to Equity Shareholders (₹ in Lakhs)	1,598.75	1,975.39
Weighted average No. of Equity Shares	22,241,866	22006250
Basic and Diluted Earning per share (₹)	**7.19**	**8.98**
Face value per equity share (₹)	2.00	2.00

30. Financial instruments

30.1. Capital risk management

The Group being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Group regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents,Bank balances other than cash and cash equivalents.

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Long term borrowings	9,883.42	8,920.77	8,124.90
Current maturities of long term debt	3,225.96	2,162.27	1,459.02
Short term borrowings	29,441.87	27,404.35	23,863.51
Less: Cash and cash equivalent	(231.46)	(182.70)	(199.79)
Less: Bank balances other than cash and cash equivalent	(1,209.51)	(1,058.14)	(951.08)
Net debt	**41,110.28**	**37,246.55**	**32,296.55**
Total equity	**27,829.63**	**25,492.03**	**21,077.48**
Gearing ratio	1.48	1.46	1.53

1. Equity includes all capital and reserves of the Group.
2. Debt is defined as long term (excluding other loans from related parties) and short term borrowings.

30.2 Categories of financial instruments

(₹ in lakhs)

DESCRIPTION	31st March, 2018		31st March, 2017		1 April, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
Measured at amortised cost						
Trade receivables	20,348.48	20,348.48	19,380.92	19,380.92	16,751.30	16,751.30
Cash and cash equivalents	231.46	231.46	182.70	182.70	199.80	199.80
Bank balances other than cash and cash equivalents	1,209.51	1,209.51	1,058.14	1,058.14	951.08	951.08
Total financial assets at amortised cost (A)	**21,789.45**	**21,789.45**	**20,621.76**	**20,621.76**	**17,902.18**	**17,902.18**
Financial liabilities						
Measured at amortised cost						
Long term Borrowings #	15,632.77	15,632.77	13,652.61	13,652.61	11,272.55	11,272.55
Short term Borrowings	29,441.87	29,441.87	27,404.35	27,404.35	23,863.51	23,863.51
Trade payables	9,950.65	9,950.65	9,141.04	9,141.04	5,809.79	5,809.79
Total financial liabilities carried at amortised cost (B)	**55,025.29**	**55,025.29**	**50,198.00**	**50,198.00**	**40,945.85**	**40,945.85**

including current maturities of long term debt.

30.3 Financial risk management

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk

- Credit risk and

- Liquidity risk

30.4 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 the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

30.5 Foreign currency risk management

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency. In order to hedge

exchange rate risk, the Group has a policy to hedge cash flows up to a specific tenure using forward exchange contracts. At any point in time, the Group hedges its estimated foreign currency exposure in respect of forecast sales over the following 6 months. In respect of imports and other payables, the Group hedges its payables as when the exposure arises.

All hedging activities are carried out in accordance with the Group's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable rules and regulations where the Group operates.

The carrying amounts of the Group's monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency exposure as at 31 March 2018

(₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	509.19	1,242.75	0.02	18,596.51	20,348.48
Bank balances other than cash and cash equivalents	-	-	-	1,209.51	1,209.51
Advance to supplier	706.52	-	-	3,035.89	3,742.41
Capital advances	14.19	-	1.77	751.08	767.04
Total financial assets	**1,229.90**	**1,242.75**	**1.79**	**23,592.99**	**26,067.44**
Financial liabilities					
Short term borrowings	-	-	-	29,441.87	29,441.87
Trade payables	-	-	-	9,950.65	9,950.65
Advance recd from customer	32.23	71.03	14.15	692.25	809.66
Creditors for capital expenditure	23.66	-	-	568.27	591.93
Total financial liabilities	**55.89**	**71.03**	**14.15**	**40,653.04**	**40,794.11**

Currency exposure as at 31 March 2017

(₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	684.48	681.14	7.67	18,007.63	19,380.92
Bank balances other than cash and cash equivalents	-	-	-	1,058.14	1,058.14
Advance to supplier	-	0.52	-	1,429.69	1,430.21
Capital advances	79.68	10.54	1.77	12.33	104.32
Total financial assets	**764.16**	**692.20**	**9.44**	**20,507.79**	**21,973.59**
Financial liabilities					
Short term borrowings	653.98	12.07	-	26,738.30	27,404.35
Trade payables	-	33.37	-	9,107.67	9,141.04
Advance recd from customer	250.97	41.45	-	123.21	415.63
Creditors for capital expenditure	10.76	-	-	108.36	119.12
Total financial liabilities	**915.71**	**86.89**	**-**	**36,077.54**	**37,080.14**

Currency exposure as at 1 April 2016

(₹ in lakhs)

DESCRIPTION	USD	EURO	GBP	INR	Total
Financial assets					
Trade receivables	1,000.99	917.87	3.27	14,829.18	16,751.31
Bank balances other than cash and cash equivalents	-	-	-	951.08	951.08
Advance to supplier	-	-	-	1,692.82	1,692.82
Capital advances	44.84	-	1.77	319.95	366.56
Total financial assets	**1,045.83**	**917.87**	**5.04**	**17,793.03**	**19,761.77**
Financial liabilities					
Short term borrowings	1,114.70	150.92	-	22,597.89	23,863.51
Trade payables	-	-	-	5,809.79	5,809.79
Advance recd from customer	67.38	29.80	-	213.23	310.41
Creditors for capital expenditure	-	-	-	380.54	380.54
Total financial liabilities	**1,182.08**	**180.72**	**-**	**29,001.45**	**30,364.25**

The following table details the Group's sensitivity impact of 1% increase and decrease in the INR against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis for outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

(₹ in lakhs)

DESCRIPTION	Increase		Decrease	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Receivable				
USD/INR	18.10	13.32	(18.10)	(13.32)
Payable				
USD/INR	0.21	0.44	(0.21)	(0.44)

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
BUY			
No. of Contract	-	1	4
US $ equivalent	-	467307	750000
INR equivalent	-	303.00	497.50
MTM	-	(13.96)	(13.01)
SELL			
No. of Contract	50	59	43
US $ equivalent	10,676,504	7,834,838	5,483,091
INR equivalent	6944.44	5,080.00	3,637.09
MTM	(155.64)	327.73	31.35

Unhegde Currency Risk position :

1) Amounts receivable in foreign currency

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances			
US equivalent (in USD)	24,569	135,038	-
INR equivalent	15.96	91.99	-
Advances to Suppliers			
US equivalent (in USD)	1,086,305	739	71,680
INR equivalent	706.52	0.52	46.61

II) Amounts payable in foreign currency

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade Payable/ Creditors for Capital Expenditure			
US equivalent (in USD)	32,208	65,151	-
INR equivalent	23.65	44.13	-
Bank Borrowings			
US equivalent (in USD)	-	974,621	1,875,319
INR equivalent	-	666.05	1,265.62
Advance received from cutomer			
US equivalent (in USD)	182,907	452,570	157,708
INR equivalent	117.41	292.42	97.18

30.6 Commodity price risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Group. These prices may be influenced by factors such as demand and supply, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products.

The Group primarily procured its raw materials i. e. HR Coil, Angle shape and section, Ingot, Zinc etc. in the open market from third parties during the financial year ended 31.03.2018 and is therefore subject to fluctuations in prices.

The Group aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like HR Coil, Angle shape and section, Ingot and Zinc based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

The Group as a matter of policy has not hedged the comodity risk.

The following table details the Group's sensitivity to a 5% movement in the input price of HR Coil, Angle shape and section, Ingot, Zinc etc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit where the commodity prices increase by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit, and the balances below would be negative.

(₹ in lakhs)

DESCRIPTION	Increase		Decrease	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
HR Coil, Angle shape and section, Ingot, Zinc	4,787.54	4,183.94	(4,787.54)	(4,183.94)

30.7 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 Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed

and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in MCLR rate and LIBOR rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended 31 March 2018 would decrease / increase by ` 376.81 lakhs (for the year ended 31 March 2017: decrease / increase by ` 324.54 lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

30.8 Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties.

Customer credit risk is managed centrally by the Group and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Ageing of Trade Receivable (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
0-180 days	16,979.94	17,079.53	15,086.23
180-365 days	1,608.78	884.02	414.94
Above 365 days	1,759.76	1,417.37	1,250.13

30.9 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The management of the Group has established an appropriate liquidity risk management framework for Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Liquidity exposure as at 31 March 2018 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	20,348.48			20,348.48
Cash and cash equivalents	231.46			231.46
Bank balances other than cash and cash equivalents	1,209.51			1,209.51
Total financial assets	**21,789.45**	**-**	**-**	**21,789.45**
Financial liabilities				
Long term borrowings	3,270.95	9361.64	3231.24	15,863.83
Short term borrowings	29,441.87			29,441.87
Trade payables	9,950.65			9,950.65
Total financial liabilities	**42,663.47**	**9,361.64**	**3,231.24**	**55,256.35**

Liquidity exposure as at 31 March 2017 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	19,380.92	-	-	19,380.92
Cash and cash equivalents	182.70	-	-	182.70
Bank balances other than cash and cash equivalents	1,058.14	-	-	1,058.14
Total financial assets	**20,621.76**	**-**	**-**	**20,621.76**
Financial liabilities				
Long term borrowings	2,162.27	9063.15	2692.24	13,917.66
Short term borrowings	27,404.35	-	-	27,404.35
Trade payables	9,141.04	-	-	9,141.04
Total financial liabilities	**38,707.66**	**9,063.15**	**2,692.24**	**50,463.05**

Liquidity exposure as at 1 April 2016 (₹ in lakhs)

DESCRIPTION	< 1 Year	1-5 Year	> 5 Year	Total
Financial assets				
Trade receivables	16,751.31	-	-	16,751.31
Cash and cash equivalents	199.79	-	-	199.79
Bank balances other than cash and cash equivalents	951.08	-	-	951.08
Other financial assets				-
Total financial assets	**17,902.18**	**-**	**-**	**17,902.18**
Financial liabilities				
Long term borrowings	1,479.03	7807.62	2,110.30	11,396.95
Short term borrowings	23,863.51	-	-	23,863.51
Trade payables	5,809.79	-	-	5,809.79
Other financial liabilities				-
Total financial liabilities	**31,152.33**	**7,807.62**	**2,110.30**	**41,070.25**

The Group has pledged its trade receivables and cash & cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Group. There is obligation to return the securities to the Group once these banking facilities are surrendered.

31. RELATED PARTY DISCLOSURES:

As per Ind AS -24, the disclosure of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Shri M. C. Garg, Chairman	Key Management Personnel
Shri R. C. Garg, Director	
Shri Nitin Garg , Director	
Shri Manish Garg	Relatives of Key Management Personnel
Shri Umesh Garg	
Excellent Fincap Pvt. Ltd.	Others (Enterprises Over which Key Management Personel are able to exercise significant influence)

(ii) Transactions during the year with related parties: (₹ in lakhs)

Nature of Transactions	Key Management Personnel	Relatives of Key Mgt. Personnel	Others	Total
Loans Taken:				
Current Year	-	-	1,018.00	1,018.00
Previous Year	-	-	1,704.34	1,704.34
Loans Repaid:				
Current Year	-	-	1,285.26	1,285.26
Previous Year	-	-	990.37	990.37
Interest Paid:				
Current Year	-	-	245.64	245.64
Previous Year	-	-	207.74	207.74
Remuneration Paid:				
Current Year	154.80	81.60	-	236.40
Previous Year	141.60	81.60	-	223.20

(iii) Balances with related parties as at March 31, 2018 : (₹ in lakhs)

Nature of Transactions	Key Management Personnel	Relatives of Key Mgt. Personnel	Others	Total
Unsecured Loans				
Current Year	-	-	2,523.39	2,523.39
Previous Year	-	-	2,569.57	2,569.57
Other Liabilities				
Current Year	7.80	4.30	-	12.10
Previous Year	8.00	4.30	-	12.30

32. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Contingent Liabilities			
1. Outstanding bank guarantees issued by the banks & counter			
guaranteed by the Company and other guarantees	3,088.24	1,823.12	912.17
2. Bills discounted with Banks	2,802.55	1,857.19	1,658.22
3. Disputed demand under Central Excise & Commercial Tax U.P.	44.06	21.19	436.08
Commitments			
i) Estimated amount of contracts remaining to be executed			
on Capital Account and not provided for	3,767.04	6,569.30	666.56

33. Additional Information

A) VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF: (₹ in lakhs)

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
Stores & Spares	20.00	103.35
Capital goods	351.29	413.51
Raw Material	224.29	3,392.32
TOTAL:	**595.58**	**3,909.18**

B) EXPENDITURE IN FOREIGN CURRENCY (₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
Interest and Bank Charges	37.53	103.34
Tours & Travelling	74.62	80.69
Advertisement & Subscription	26.98	5.44
Consultancy Charges & Inspection	105.48	1.13
Commission & Export Expenses	468.15	709.14

C) EARNING IN FOREIGN CURRENCY (₹ in lakhs)

DESCRIPTION	Year ended on 31st March, 2018	Year ended on 31st March, 2017
FOB Value of Exports	31,516.92	27,295.67

34. SEGMENT INFORMATION

The Group is in the business of manufacturing and sale of steel products. Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments. The Group has monthly review and forecasting procedure in place and CODM reviews the operations of the Group as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

a) Revenue from operations

The following information discloses revenue from external customers based on geographical areas :

DESCRIPTION	As at 31.03.2018	As at 31.03.2017
- Within India	92,225.54	91,218.63
- Outside India	36,665.90	27,284.34
Total Revenue	**128,891.44**	**118,502.97**

b) Non-current operating assets

All non –current assets of the Group are located in India

35. First time adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

35.1. Exemptions and exceptions availed

(i) Ind AS optional exemptions

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Group has elected to measure all its property, plant and equipment at their previous GAAP

carrying value. There are no decommissioning liabilities of the Group.

Business combination

Ind-AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses for Ind-AS or of interests in associates and joint ventures that occurred before April 01, 2016. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of acquisition. After the date of acquisition measurement is in accordance with Ind-AS. Assets and liabilities that do not qualify for recognition under are excluded from opening Ind-AS balance sheet. The Group did not recognise or exclude any previously recognised amounts as a result of Ind-AS recognition requirements.

Ind-AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind-As balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind-AS 101, the Group has tested goodwill for impairment at the date of transition to Ind-AS.

(ii) Ind AS mandatory exceptions

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 adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Derecognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has opted the policy of de-recognition prospectively.

35.2. Reconciliations of Balance Sheet

(₹ in lakhs)

DESCRIPTION	Note	As at 31 March 2017			As at 1 April 2016		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
A ASSETS							
(1) Non-current assets							
(a) Property, plant and equipment	1, 7	25,717.98	(149.52)	25,568.46	23,403.80	(159.54)	23,244.26
(b) Capital Work in Progress	1, 7	621.77	(179.58)	442.19	795.78	-	795.78
(c) Financial assets		-	-	-	-	-	-
(d) Other non-current assets	3	306.04	25.00	331.04	277.52	31.44	308.96
Goodwill on Consolidation		-	-	-	131.41	(131.41)	-
Total - Non current assets		**26,645.79**	**(304.10)**	**26,341.69**	**24,608.51**	**(259.51)**	**24,349.00**
(2) Current assets							
(a) Inventories		23,408.02	(22.13)	23,385.89	18,378.31	(17.74)	18,360.57

(b) Financial Assets							-
(i) Trade receivables		19,380.92	-	19,380.92	16,751.31	-	16,751.31
(ii) Cash and cash equivalents		1,240.84	(1,058.14)	182.70	1,151.81	(952.02)	199.79
(iii) Oher balances with banks		-	1,058.14	1,058.14	-	951.08	951.08
(c) Other current assets	8	10,482.19	(1,048.93)	9,433.26	6,279.23	(1,214.39)	5,064.84
Total - Current assets		**54,511.97**	**(1,071.06)**	**53,440.91**	**42,560.66**	**(1,233.07)**	**41,327.59**
TOTAL - ASSETS		**81,157.76**	**(1,375.16)**	**79,782.60**	**67,169.17**	**(1,492.58)**	**65,676.59**
B EQUITY AND LIABILITIES							
(3) Equity							
(a) Equity share capital		440.13	-	440.13	440.13	-	440.13
(b) Other equity	4	25081.22	(29.32)	25,051.90	20,577.43	59.92	20,637.35
Total - Equity		**25,521.35**	**(29.32)**	**25,492.03**	**21,017.56**	**59.92**	**21,077.48**
(4) Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	6	11755.39	(265.05)	11,490.34	9,937.91	(124.38)	9,813.53
(b) Provisions		245.94	-	245.94	191.09	-	191.09
(c) Deffered tax liabilities (net)	3	2565.23	(458.31)	2,106.92	2,262.12	(287.79)	1,974.33
Total - Non current liabilities		**14,566.56**	**(723.36)**	**13,843.20**	**12,391.12**	**(412.17)**	**11,978.95**
(5) Current liabilities							
(a) Financial liabilities							
(i) Borrowings		27,404.35	-	27,404.35	23,863.51	-	23,863.51
(ii) Trade payables		9,141.04	-	9,141.04	5,809.79	-	5,809.79
(b) Provisions	7	897.15	(622.48)	274.67	1,221.20	(1,140.33)	80.87
(c) Other current liabilities		3,627.31	-	3,627.31	2,865.99	-	2,865.99
Total - Current liabilities		**41,069.85**	**(622.48)**	**40,447.37**	**33,760.49**	**(1,140.33)**	**32,620.16**
TOTAL - EQUITY AND LIABILITIES		**81,157.76**	**(1,375.16)**	**79,782.60**	**67,169.17**	**(1,492.58)**	**65,676.59**

35.3. Reconciliations of Profit & Loss for the year ended March 31, 2017

(₹ in lakhs)

D E S C R I P T I O N	**Note**	**As at 31 March 2017**		
		Amount as per previous GAAP	**Effects of transition to Ind AS**	**Amount as per Ind AS**
I Revenue from operations (Gross)		118,502.97	1,919.78	120,422.75
Less: Excise Duty	8	11,121.94	(11,121.94)	-
Revenue from operations (Net)		**107,381.03**	**13,041.72**	**120,422.75**
II Other Income		2,513.22	(1,965.41)	547.81
III Total income		**109,894.25**	**11,076.31**	**120,970.56**
IV Expenses				
(a) Cost of raw materials consumed		81,858.51	-	81,858.51
(b) Purchase of stock-in-trade		15.55	-	15.55

(c) Changes in Inventories of Finished Goods, work-in-progress and Stock-in-trade		(4,021.65)	4.40	(4,017.25)
(d) Employee Benefit Expenses		5,728.36	-	5,728.36
(e) Finance Cost	6	4,771.20	38.91	4,810.11
(f) Depreciation & Amortization Expenses	1,6	1,763.66	(10.02)	1,753.64
(g) Excise Duty expense	8	-	11,121.94	11,121.94
(h) Other Expenses		16,985.39	27.33	17,012.72
Total expenses		**107,101.02**	**11,182.56**	**118,283.58**
V Profit before exceptional item & tax (III - IV)		**2,793.23**	**(106.25)**	**2,686.98**
VI Exceptional Items				
VII Profit/(loss) before tax (V-VI)		**2,793.23**	**(106.25)**	**2,686.98**
VIII Tax Expenses				
Income tax for previous year		10.20	-	10.20
Current Tax		596.13	-	596.13
Deferred Tax	3	303.11	225.83	528.94
MAT Credit Entitlement/ Tax Adjustment		(312.27)	(111.41)	(423.68)
IX Profit for the years (VII-VIII)		**2,196.06**	**(220.67)**	**1,975.39**

35.4. Effects of IND AS adoption on Other equity

(₹ in lakhs)

DESCRIPTION	Note	As at 31.03.2017	As at 01.04.2016
Other equity as per previous GAAP		24,768.72	20,577.43
reclassification of share warrant		312.50	-
Dividend and tax on dividend	5	198.65	198.65
Tax effect on above adjustment	3	(73.61)	40.82
Others		(154.36)	(179.55)
Other equity under IND AS		**25,051.90**	**20,637.35**

35.5. Effects of IND AS adoption on Cash Flows for the year ended 31 March 2017

(₹ in lakhs)

DESCRIPTION	Note	As at 31 March 2017		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Net cash generated from (used in) operating activities	1, 6, 7	2,609.80	(331.90)	2,277.90
Net cash generated from (used in) investing activities	1	(3,927.00)	368.46	(3,558.54)
Net cash generated from (used in) financing activities	5, 6	1,404.21	(140.66)	1,263.55
Net increase/ (decrease) in cash and cash equivalents		**87.01**	**(104.10)**	**(17.09)**
Cash and cash equivalents at start of year/ period		1,151.81	952.02	199.79
Upon addition of Subsidiary		2.02	(2.02)	-
Cash and cash equivalents at close of year/period		**1,240.84**	**(1,058.14)**	**182.70**

35.6. Notes to first-time adoption of IND AS

1. Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Accordingly, the Group has elected to measure all its property, plant and equipment at their previous GAAP carrying value.

2. Security deposit

Security deposit mainly comprises of deposits given to electricty department, rental deposits etc. These all are short term in nature and hence they have been classified under current financials assets.Their fair value is equal to their carrying value as disclosed in the financials.

3. Deferred tax as per balance sheet approach:

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the period. Under IND AS, deferred tax is recognized using balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments has also lead to recognition of deferred taxes on new temporary differences.

4. Retained earnings

Retained earnings as at April 01, 2016 has been adjsuted consequent to the IND AS adjustments.

5. Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend tax of ₹ 198.65 lakhs as at April 01, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

6. Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition, under previous GAAP they were shown towards cost of capital assets. Thus as per Ind AS, these costs are to be charged to the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Accordingly, borrowings as at March 31, 2017 have been reduced by ₹ 265.05 lakhs (April 01, 2016 — ₹ 124.38 Lakhs).

The retained earning for the period ended on March 31,2017 is decreased by ₹ 38.91 lakhs on account of notional interest expense on term loans from financial institutions.

7. Provision

As per Ind AS the provision for current tax under the head "Short term provision" has been shown net of prepaid income tax. Under previous GAAP, the current tax liability provison was shown under the head "Short Term Provision" and prepaid income tax was shown under the head "Short term loans & advances."

8. Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS,revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by ₹ 11121.94 lakhs. There is no impact on the total equity and profit.

36. Enterprises consolidated as subsidiary in accordance with Ind AS 110-Consolidated Financial Statements

Name of Enterprise	Country of Incorporation	Proportion of ownership interest
Swachh Industries Limited	India	100%
GLS Steel India Limited	India	100%
GLS Engineering India Limited	India	100%
GLS Metallics India Limited	India	100%

37. Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint ventures as per Schedule III of Companies Act, 2013

(₹ in lakhs)

Name of the Subsidiary	Goodluck India Limited	Swachh Industries Ltd.	GLS Steel India Ltd.	GLS Engineering India Limite	GLS Metallics India Limited	Total
% of Consolidated Net Assets	90.83	9.16	0.00	0.00	0.00	100.00
Net Assets (Amt in lakhs)	25,276.82	2,549.81	1.00	1.00	1.00	27,829.63
% of Consolidated profit or loss	92.23	7.79	(0.01)	(0.01)	(0.01)	100.00
Profit or loss (Amt in lakhs)	1,474.57	124.56	(0.13)	(0.13)	(0.13)	1,598.74

38. Sailent features of financial statements of subsidiaries as per Companies Act, 2013

(₹ in lakhs)

Name of the Subsidiary	Swachh Industries Ltd.	GLS Steel India Ltd.	GLS Engineering India Limite	GLS Metallics India Limited
Reporting Currency	INR	INR	INR	INR
Equity share capital	100.00	1.00	1.00	1.00
Other equity	2,449.81	(0.13)	(0.13)	(0.13)
Total assets	2,903.64	1.00	1.00	1.00
Total liabilities	353.83	(0.13)	(0.13)	(0.13)
Turnover	333.66	-	-	-
Profit before(losses) before taxes	173.81	(0.13)	(0.13)	(0.13)
Provision for taxation	49.25	-	-	-
Profit before(losses) after taxes	124.56	(0.13)	(0.13)	(0.13)
% of shareholding	100%	100%	100%	100%

Name of the Subsidiaries which is yet to commence operations -

Name of the Company

1. GLS Steel India Limited
2. GLS Engineering India Limited
3. GLS Metallics India Limited

39. With effect from July 1, 2017 the goods and service tax (GST) has replaced Excise Duty, Cess etc. Accordingly, post applicability of GST, revenue from operation is disclosed net of GST. Hence the revenue from operations and expenses

for the year ended March 31, 2018 are not comparable with the previous period to that extent.

40. The previous year figures have been regrouped / reclassified / rearranged, wherever necessary to confirm to the current year presentation.

As per our report of even date annexed hereto
For **SANJEEV ANAND & ASSOCIATES**
Chartered Accountants
Firm Registration No. 007171C

(S. AGRAWAL)
Partner
M.No. 072907

Place : Ghaziabad
Date : 30th May 2018

On behalf of the Board of Directors
For **Goodluck India Limited**

(M.C.GARG)
Chairman
DIN NO. 00292437

(R.C.GARG)
Director
DIN NO. 00298129

(ABHISHEK AGRAWAL)
Company Secretary

(SANJAY BANSAL)
C.F.O.

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GOODLUCK INDIA LIMITED
(Formerly Good Luck Steel Tubes Limited)

Regd. Office:
509, Arunachal Building, Barakhamba Road,
Connaught Place, New Delhi - 110001 (INDIA)
Phone: +91-11-23725686
CIN No.: L74899DL1986PLC050910

Corporate Office:
Good Luck House, II F, 166-167,
Nehru Nagar, Ambedkar Road
Ghaziabad - 201001 (INDIA)
Phone: +91-120-4196600, 4196700

www.goodluckindia.com