

50 years of excellence 1967-2017

ANNUAL REPORT

2017-18

Veto®

SINCE 1967

ALL ELECTRICAL SEGMENT

THE SMART WAY TO
POWER YOUR HOME

11th ANNUAL REPORT 2017-18

SINCE 1967

ALL ELECTRICAL SEGMENT



Celebrating 50 Years of Excellence

The smart way to power ***your home***

YEARS OF SUSTAINABLE GROWTH

Veto Group has started its operation since the year 1967 with manufacturing of Electrical Accessories, wires and Cables.

With the passage of time and work put together by the team the group has expanded to its manifold.

In the Year 2007 M/s Veto Switchgears and Cables, Partnership Firm, through its Existing partners mutually agreed to register the business into the form of a Company under Companies Act 1956 as a Private Limited Company.

In the Year 2012, the company has come up with an Initial Public Offer and was listed at National Stock Exchange (NSE) through SME platform. On February 2015, the Company migrated from SME Platform to NSE Main Board.

The same year, it was listed on the BSE (formerly known as Bombay Stock Exchange Ltd.)

The company incorporated a wholly owned subsidiary company in Dubai by the name of VETO Overseas Private F.Z.E in October 2015 which is showing continuous progressive results.

Veto Electricals Private Limited, Wholly Owned Subsidiary Company has owns its manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur and its commercial production started w.e.f. 01.07.2017

Over the years, we have diversified our products, adopted high-end technology to reach out to more customers and scaled operations with standardized systems and platforms, all underpinned by a collaborative performance culture.

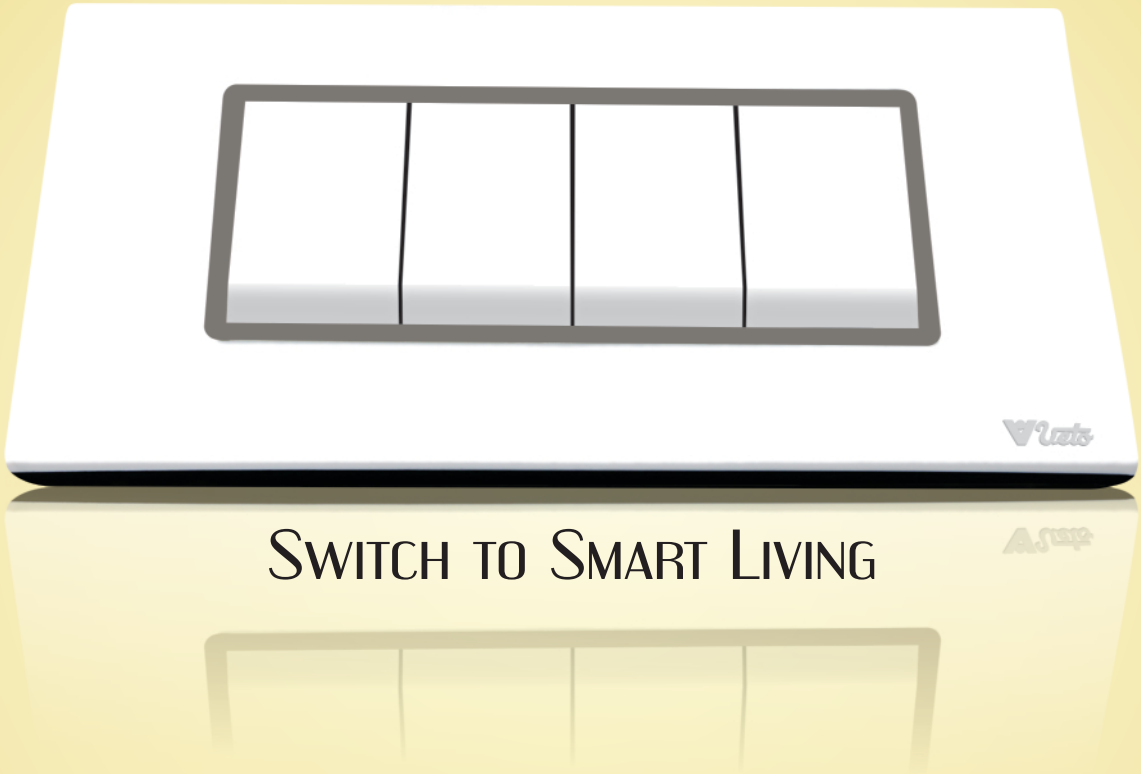
Simply put, trust, technology, talent and teamwork have played a pivotal role in shaping our sterling performance.

Veto®

SINCE 1967

VYOMA

MODULAR SWITCHES



Switch to Smart Living

MODULAR SWITCHES | WIRES & CABLES | LED LIGHTING
CFL | FANS | DISTRIBUTION BOARDS



CONTENTS

1. Corporate Information 2
2. Key Performance Indicators 10
3. From the desk of the Managing Director 11
4. Mission & Vision 12
5. Director's Report 13
   - Management Discussion and analysis 33
6. Annexure to Director's Report 39
7. Corporate Governance Report 41
   - General Shareholder's Information 55
8. Corporate Social Responsibility 62
9. Secretarial Audit Report 64
10. Certificate on Corporate Governance 68
11. Auditor's Report and Consolidated Financial Statements 70
12. Auditors' Report and StandaloneFinancial Statements 132

CORPORATE INFORMATION

Akshay Kumar Gurnani
(Managing Director)

Narain Das Gurnani
(Whole-time Director cum
Chief Financial Officer)

Jyoti Gurnani
(Director)

Dr. Kanwarjeet Singh
(M.B.B.S)
(Independent Director)

Govind Ram Thawani
(Rt. Government Employee)
(Independent Director)

Mohan Sukhani
(Rt. Businessman)
(Independent Director)

KEY MANAGEMENT EXECUTIVES

Mr. Vasudev Lalwani
(B.Com)
Vice President Marketing

Mr. Mohd. Khalid
(B.tech)
Production Head

Mr. Kapil Motiramani
(B.Com, C.A.)
Sr. Manager Accounts

Ms. Shilpi Keswani
(M.com, CS)
Company Secretary
and Compliance Officer

Auditors
K.M. Tulsian & Associates
A-703, Rajeshri Accord,
Telly Cross Lane, Off. S.N Road,
Andheri (East),
Mumbai-400069.

Registrar and Share transfer Agents
Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri(E), Mumbai-400 072
info@bigshareonline.com

Registered Office
506, 5th Floor Plot No. B-9
Landmark Building New link
Road Andheri (West)
Mumbai, Maharashtra 400058

Internal Auditor
Mr. Vikas Hasnani

Secretarial Auditor
Ms. Nisha Agarwal

Corporate Office
230, Sindhi Colony, Raja Park
Jaipur- 302004

Internal Auditor
Mr. Vikas Hasnani

Cost Auditor
Rajesh Goyal & Co.

Website :
www.vetoswitchgears.com

Stock Exchanges where
Company's
Securities are Listed :

- National Stock Exchange of India Limited
- BSE Limited

Bankers
- Indian Overseas Bank
- Bank of Baroda
- HDFC Bank

Email ID:
cs@vetoswitchgears.com

Corporate Identity Number
L31401MH2007PLC171844

BOARD'S COMMITTEES

Audit Committee	Corporate Social Responsibility Committee
Govind Ram Thawani (Chairman) Mohan Sukhani Mr. Narain Das Gurnani	Mr. Govind Ram Thanwani (Chairman) Mr. Mohan Sukhani Mr. Narain Das Gurnani
Govind Ram Thawani (Chairman) Kanwarjeet Singh Mohan Sukhani	Mr. Govind Ram Thawani (Chairman) Mr. Narain Das Gurnani Mr. Mohan Sukhani

BOARD'S PROFILE

Akshay Kumar Gurnani (DIN: 06888193), Managing Director cum Chief Executive officer of our Company. He is a post graduate in commerce and having a Qualification of International Hotel Management and Master in Business Administration alongwith Master in Commerce. He has a wide role to play in department of marketing, planning and production. He possesses skilled expertise in managing the manufacture and marketing of copper wires, cables lightning, fan and other electrical accessories. He aims at achieving Rs. 1000 Crores from sales in next Five years.

Other Directorship :

S.No.	Name of The Companies
1.	Kanchan Cables Private Limited
2.	Vnb Marketing Private Limited
3.	Kunal Buildestate Private Limited
4.	Gurnani Holdings Private Limited
5.	Veto Electropowers (india) Private Limited
6.	Veto Electric Components Private Limited
7.	Veto Power Products Private Limited
8.	Veto Retails Private Limited
9.	Veto Electricals Private Limited
10.	Jaipur Buildvision Private Limited
11.	Veto Lightings Private Limited
12.	Narayan Realhome Developers Private Limited
13.	Vankon Switchgears And Cables Private Limited
14.	Akshay Vishnu Cables Private Limited
15.	V1 Infradevelopers Private Limited
16.	Veto Switchgears And Cables Limited
17.	Kanchan Cables Private Limited

Narain Das Gurnani DIN : 01970599 is the Whole-time Executive Director in the Capacity of Chief Financial Officer. He is an Under Graduate, but possesses specific skills in finance. He has over 35 years of experience in the field of wires and cable industry and other electrical accessories besides real estate. He has handled finance and costs in other companies of the group. He had played vital role in formulating business strategies and effective implementation of the same for both domestic and international markets.

Other Directorship :

S.No.	Name of The Companies
1.	Veto Electropowers (India) Private Limited
2.	Esma Constructions Private Limited

Dr. Kanwajeet Singh, DIN: 07813714 is Non- Executive Independent Director of our Company. He is a senior physician and in private practice since 25 years. He is affiliated with Life Insurance Corporation of India (LIC), Sindhu Welfare Society and Rajasthan Housing Board. His acumen, administrative power and experience thus can act as a guiding role for growth of our organization. He has no other Directorships.

Mohan Sukhani, DIN: 00113432 is Non- Executive Independent Director of our Company. He is a Science Graduate and has over 31 years of experience in the field of textile and hotel business. He is a member of Nomination & Remuneration Committee and Audit Committee.

Other Directorship :

S.No.	Name of The Companies
1.	Goyal Farms Pvt. Ltd
2.	Manhattan Constructions Pvt. Ltd.
3.	Sukhani Buildcon Private Limited
4.	Manhattan Capital Services Private Limited
5.	Gestalt Builders Private Limited
6.	Aravali Square Private Limited
7.	Anokhi Builders Private Limited
8.	Tulsan Constructions Private Limited
9.	Vinayakraj Build Tech Private Limited
10.	Spectrum Buildcon Private Limited
11.	Tulsi Palace Resort Private Limited
12.	Kabir Education Wizards Private Limited

Govind Ram Thawani DIN: 06367093 is Non- Executive Independent Director of our Company. He is an Arts Graduate and is a managerial level retired government employee. He is over 35 years of experience in the field of marketing and finance.

Other Directorship :

S.No.	Name of The Companies
1.	Veto Electricals Private Limited

Jyoti Gurnani DIN: 06953899 is a Director of our Company. She is a Graduate and participates actively in the growth and development of the Company. She has no other Directorships. She is the Chairperson of Internal Complaint Committee.

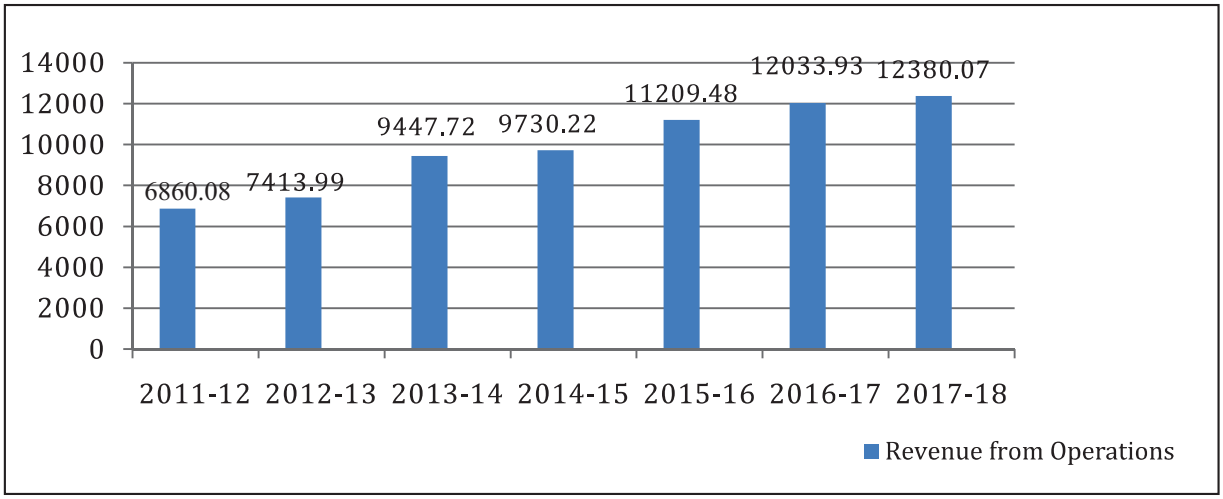
Notes:

1. Other Directorships and Committee Memberships of Directors are as on 31st March 2018.
2. No Change in the composition of Director and the Committee in the relevant year.

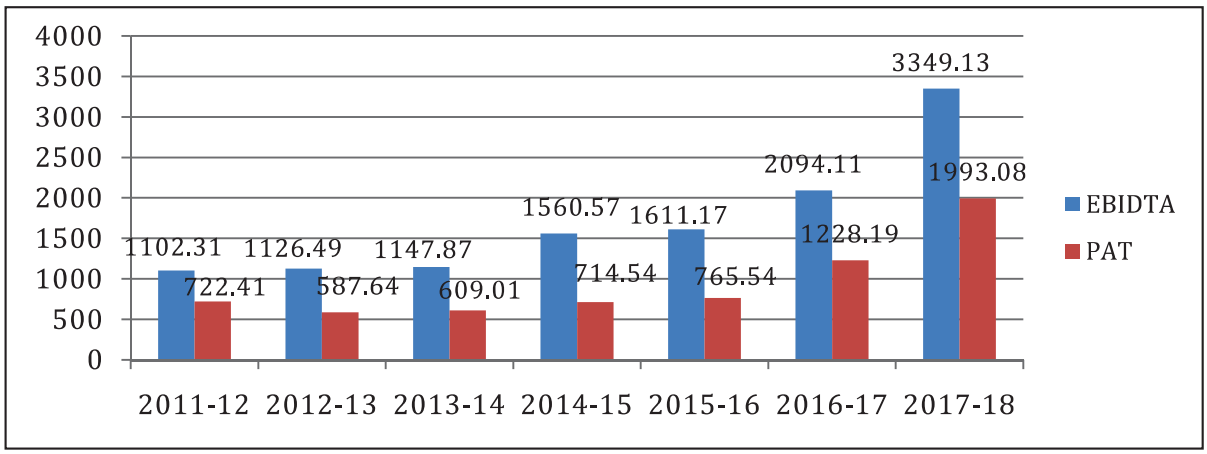
KEY PERFORMANCE INDICATORS

Years of Consistent Progress and Perseverance (Standalone)

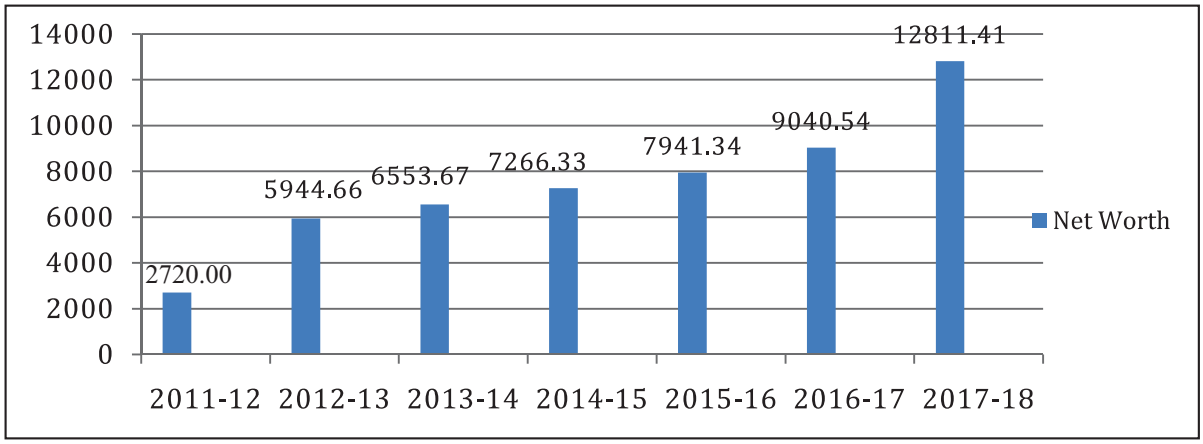
Revenue from Operations (in Lacs)



EBIDTA & Profit after Tax (in Lacs)



Net Worth (in lacs)



From The Desk of ***Managing Director***

Individual commitment to a group effort--that is what makes a team work, a company work, a society work, a civilization work." --Vince Lombardi



Akshay Kumar Gurnani
Managing Director & CEO

Dear Stakeholder,

When the going gets tough, the tough get going. Our team firmly believes that any situation can be met with team work; which by itself is epitomized by the principles of 3Cs namely Collaboration, Cooperation, and Creative Endeavor. When we collaborate and cooperate, everyone wins.

The turbulences caused by structural reforms seem to have calmed down now. After turning the corner, the country seems to be picking up speed along a faster growth track; by any reckoning, the country is set to retain its position as the fastest growing major economy for years into the future. Yet with our heads high rmly on gro vcund, despite such challenges, yourand feet tscompany grew its turnover by 10.55% and operating profits (EBITDA) by 60% in FY18. And to top it up Veto attains a sustainable growth rate of 31.88% this year was the cherry on the cake.

Most macro trends in our sector are looking up including the tax revenues, gross capital formation & the demand is gathering momentum. Investment has gone up worldwide - in infrastructure, the automotive sector, the electrical industry, regenerative energy projects and in oil and gas pipelines. And the upstream supplies industries wire, cable and pipes have substantially benefited from this development.

The company as promised launched its new Product range 'VYOMA' for Modular Switches including Sockets, Regulators, Modular plates, MCB's,. The launch was highly appreciated including an order of Rs. 25 Crore.

Also, We have increased the Basic import for Lighting segment this year by about 40 times. We are looking ahead of taking this as an opportunity of growth of business of the company. Whereas, this year the export of Electrical accessories has witnessed a whopping 62% growth rate.

Future is all about team work, collaboration, and cooperation. Different functions, departments, teams, and individuals in the organisation have collaborated together to deliver world class manufacturing facilities, operational efficiencies, and have set benchmarks in project execution. For us at "VETO", this word 'together' has larger meaning as it pertains to not only the company and its people, but includes its other group associates, their people, all the stakeholders, the community and the environment. If together we have come this far i.e. growing from a modest business of Rs. 24.97 Crores in 2007-08 to more than Rs. 123.80 Crores now, collectively we can go even farther. Even for the country, with ever increasing focus on democratic values; and cooperative & collaborative federalism; the word together has far deeper meanings and insights. With India considerably improving its international ranking and the states competing between themselves on 'Ease of Doing Business', there can never be a better opportunity than this to collaborate, cooperate, and work together to take the next big leap.

By continuing with our goal of "Absolute Light "we ensure to serve our customers better and delight them everyday.

As, we take bold and firm steps into the future, I would like to express my utmost gratitude to all our customers, shareholders, channel partners, business associates, Financial institutions and all our employees who have bestowed their confidence and faith in us. Their continued trust and invaluable support motivates and inspires us to keep delivering a concrete performance year after year.

Thanking you,

With warm regards,
Akshay Kumar Gurnani
Managing Director & CEO
DIN : 06888193

Out Vision, Mission & Core Values

OUR VISION

"To be a globally recognized corporation that provides best electrical and lighting solutions, by pursuing excellence and innovation through committed team work and ethical business practices."

OUR MISSION

"To provide the people of our nation offer low priced, high quality eco-friendly products, our employees a great work environment with utmost satisfaction and growth opportunities while treating each other with respect and dignity, our investors the highest possible returns and ultimately contribute to our communities and our environment in a positively transparent way."

CORE VALUE

◎ *Commitment*

By our hard work, open communication and team work we will be the most relevant, innovative and insightful company in India.

◎ *Honest*

We continue with our fair and transparent business in our operations to meet our obligations, sustain our growth and reach our goals.

◎ *Team Work*

To bring a positive change by satisfying the demands of the Customers in an Eco- Friendly manner. Our vision unites us as one organization focused on delivering best results.

◎ *Passion*

The soul of VETO is in its passion to innovate, outperform benchmarks and deliver the best consistently

◎ *Optimistic approach*

We continue to drive forward, offering new technology and products to our customers. Our vision is to achieving sale target of more than Rs. 1000 Crores in next Five Years

1. DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the 11th Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the financial year ended 31st March, 2018 and other accompanying reports, notes and certificates.

1. Company Performance

Your Company has grown exponentially during the current financial year. The Standalone and Consolidated Audited Financial Results of the Company for year ended 31st March 2018 are as follows.

Financial Results:

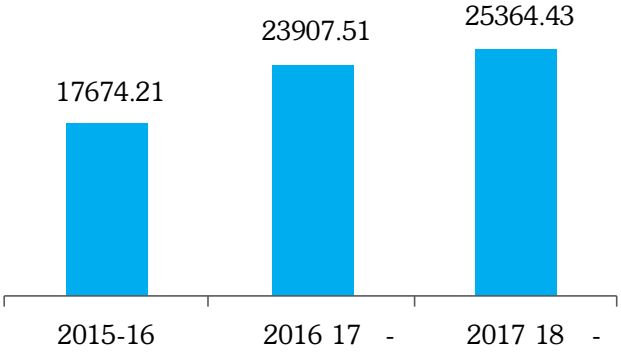
Particulars	Consolidated		Standalone	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Revenue from Operations (including other Income)	25,562.77	24,072.16	12,963.76	12,570.09
Less Expenses :				
(a) Cost of materials consumed	5,125.90	4,444.44	4,728.51	4,444.44
(b) Purchases of stock -in-trade	14,571.56	14,790.96	4,201.08	3,691.31
(c) Changes in inventories of finished goods, and stock- in-trade	(705.90)	(273.28)	(1,243.68)	119.17
(d) Employee benefits expense	901.08	1,222.53	755.32	1,100.57
(e) Finance costs	275.64	412.38	273.98	410.31
(f) Depreciation and amortisation expense	158.17	166.44	148.05	166.44
(g) Other expenses	1,344.10	1,177.38	1,124.35	1,110.89
Total expenses	**21,670.55**	**21,940.85**	**9,987.61**	**11,043.12**
Profit before tax and exceptional items	**3,892.22**	**2,131.31**	**2,976.15**	**1,526.97**
Less: Exceptional items	-	-	-	-
Profit before tax	**3,892.22**	**2,131.31**	**2,976.15**	**1,526.97**
Less: Tax Expense	995.15	298.84	983.07	298.8
Less: Minority interest	-	-	-	-
Profit after tax	**2,897.07**	**1,832.47**	**1,993.08**	**1,228.17**

Indian Accounting Standards

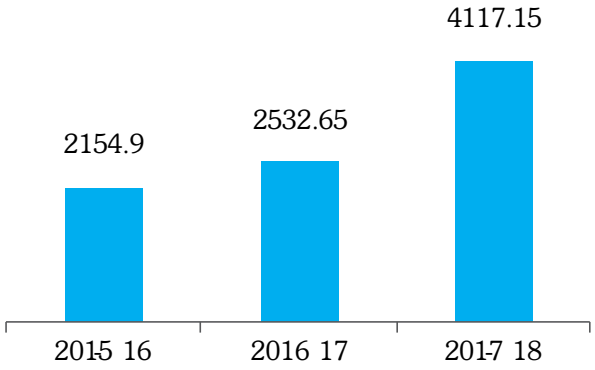
The Ministry of Corporate Affairs (MCA), vide its notification in the official Gazette dated 16th February, 2015, notified the Indian Accounting Standards (IND AS) which has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. Pursuant to the above said notification, the Indian Accounting Standards (IND AS) is applicable on the Company for the accounting periods beginning on or after 1st April, 2017.

Consolidated Financial Results:-

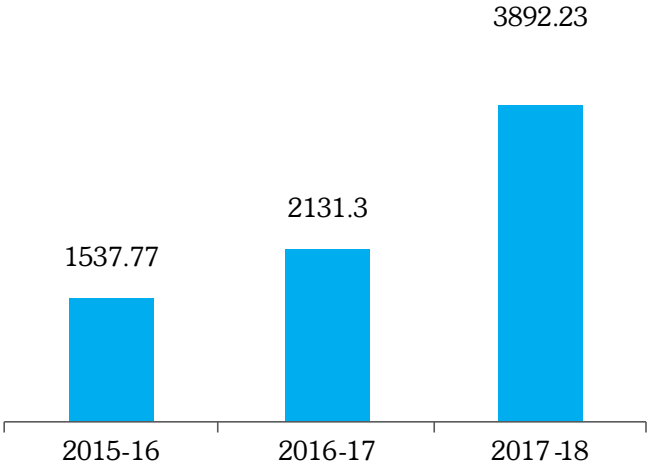
During the year under review on consolidated basis our Company earned profit before tax and exceptional items of Rs. 3,892.22 Lacs against Rs. 2,131.31 Lacs in the previous year. The Company earned profit after tax of Rs. 2,897.07 Lacs as compare to Rs. 1,832.47 Lacs in the previous year. The Company had Income from operation of Rs. 25,562.77 Lacs as compared to Rs. 24,072.16 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs. 4147.88 Lacs as compared to Rs. 2699.09 Lacs in previous year.



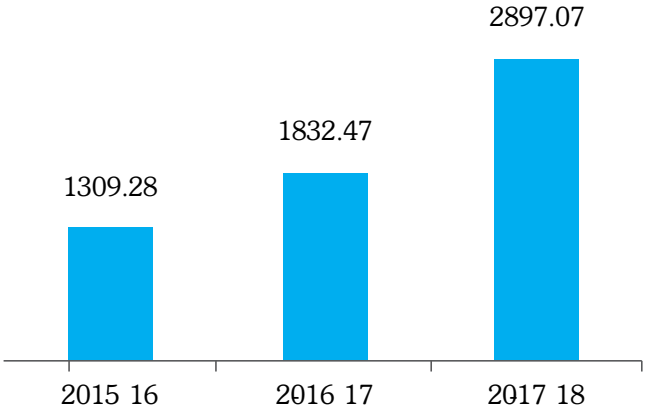
Income from Operations (in lacs)



Profit Before Interest and Tax (in lacs)



Profit Before tax (in Lacs)



Profit After tax (in Lacs)

Standalone Financial Results:-

During the year under review on standalone basis our Company earned a profit before tax and exceptional items of Rs. 2976.15 Lacs against Rs. 1526.98 Lacs in the previous year. The Company earned profit after tax of Rs. 1993.08 Lacs as compare to Rs. 1228.19 Lacs in the previous year. The Company had Income from operation of Rs. 12380.07 Lacs as compared to Rs. 12033.93 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBDIT) was Rs. 3349.13 Lacs as compared to Rs. 2094.11 Lacs in previous year.

Keeping pace with growth trajectory and its efforts to improve efficiency, productivity and profitability the management seeks the trust of shareholders in future growth of the Company and enhancement of shareholders wealth.

Dividend

We are pleased to recommend a final dividend of Rs. 2/- per share having face value of Rs. 10/- each aggregating to 20% of F.V. for the financial year ended on 31st March 2018. The final dividend, if approved by the members, will be paid to members within the period stipulated by the applicable Companies Act. The aggregate dividend for the year will amount to 20%, being Rs. 2 per share of 10/- each.

Reserves

Rs. 1993.08 lakhs has been transfer to reserves and surplus account during the current year.

Share Capital

The paid up Equity Share Capital as at 31st March 2018 stood at Rs.18,32,71,000.

However, the company subsequently has allotted 7,87,855 Equity Shares of Rs. 10 each on 23rd May 2018 to employees/directors of the company pursuant to exercise of Stock Options under Employee Stock Option Scheme 2015 ("ESOP SCHEME 2015").

Consequent to the said allotment, the paid up Equity Share Capital has been increased to Rs. 1,91,14,955 Equity Shares of Rs. 10 each.

Also, through the Extra-ordinary General Meeting ("EGM") of the Members of the Company held on May 31st, 2017 the company has been authorised to create, offer, issue and allot, by way of a preferential issue, from time to time and in one or more tranches, an aggregate of 45,00,000 (Forty Five Lacs) warrants convertible into equivalent number of equity shares of a face value of Rs. 10/- each of the Company ("Warrants"), at any time within a period of 18 months from the date of allotment of Warrants, at an exercise price of Rs. 170 (including a premium of Rs. 160) per equity share ("Exercise Price") to the Promoter Group entities of the Company.

Financial Statements

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including consolidated financial statements, for the financial year 2017-18, along with statement containing salient features of the Directors' Report (including Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report) is being sent to all shareholders who have not registered their email address(es) for the purpose of receiving documents/ communication from the Company in electronic mode. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2017-18, upon receipt of written request from you, as a member of the Company.

Full version of the Annual Report 2017-18 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including consolidated financial statements, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Integrated Reporting and Management Discussion & Analysis and Corporate Governance Report) is being sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company`s website at www.vetoswitchgears.com.

Change in the nature of business, if any

There is no change in the nature of business during current financial year.

Material changes if any affecting the financial position of the Company which have occurred between the ends of the financial year of the company to which the financial year relates and the date of the report.

- The company has launched its new Product range 'VYOMA' for Modular Switches on Sunday, 6th May 2018 at Jaipur, Rajasthan.
- The company has shut - down the additional factory unit (depot) at Delhi and Ghaziabad and inaugurated new plants at Indore, Allahabad and Bhatinda.

Management Discussion and Analysis

The Management Discussion and Analysis Report of the financial condition and results of operations of the Company for the year under review as required under regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being given separately and forms part of this Board Report .

Particulars of Loan, Guarantee and Investments

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the respective notes to the Standalone Financial Statements of the Company.

Deposits

During the year under review, the Company has neither accepted nor renewed any deposits in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

2. Business Operations/ State of Company's Affairs

At Veto, we work with the single minded objective of not only improving, but empowering people's lives with our unique repertoire of products and services, backed by time tested technology and path-breaking R & D methods. With persistent focus on innovation, prompt capitalization of opportunities, building up credibility through strategic thinking, operational expertise, well planned investments and business integrity, we aim to continue our journey unabated. Reaching out with world-wide tie-ups, collaborations and import-export relations, we envision an organization that is truly global in every way – technology, policies and possibilities. Your company has been developing as a distinctive brand of leadership well equipped to address critical challenges faced by industry and society. We look forward to being recognized as one of the major competitors in the global electrical accessory industry.

Veto switchgears and Cables Limited is one of the most respected cable manufacturers in India. Brand Veto is committed to quality, safety and service with no compromise. The Company is an ISO

9001:2008 certified company, engaged in the manufacture and sale of wires & cables and electrical accessories in India.

The brand name VETO is since 1967. VETO holds a major part of electrical accessories in India. The company also has a strong and hardworking team of marketing professionals and dealers and distributors sales of the unit increasing day by day and its production is manifold many times since its inception. We are looking forward to grow further by way of providing "Best Quality at Competitive Prices."

The product portfolio ranges from industrial cables, stand cables to telephone & co-axial wires, from general switches to modular switches, from ceiling fans to rechargeable fans, compact fluorescent lamps, LED bulbs and other electrical accessories. We are dealing in electrical accessories like switch socket, MCB, bell and all electrical accessories which are used for household purposes and manufacturing wires and cables. Cable starts from 0.75 mm to 10 mm.

Our Company supplies these products under the brands "VETO" and "VIMAL POWER" through large network of dealers to the customers in India as well as selected customers abroad.

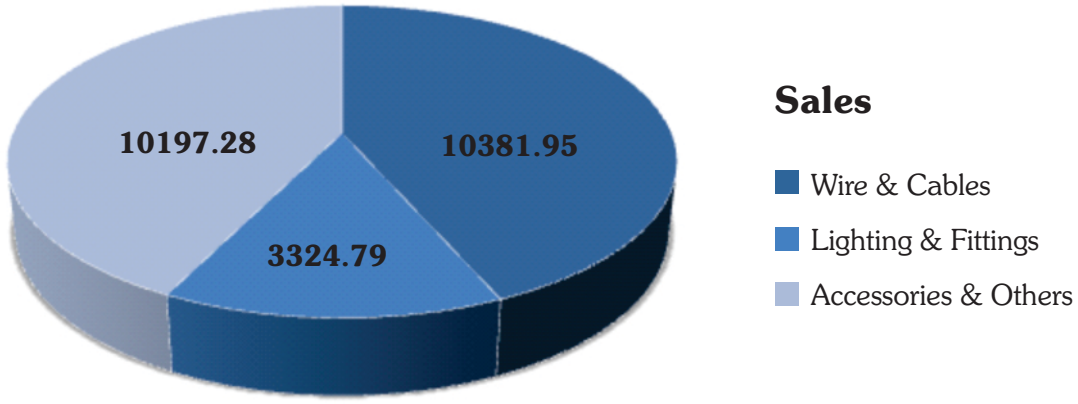
VIMAL POWER is a part of the Veto group and continues to reinforce a successful international presence and enhance its enviable reputation for innovation. A continuous programme of research and development ensures a world beating range of cables to satisfy or surpass requirements of Indian Standards.

Recently, the company has launched its new range of Modular Switches by the Brand Name "VYOMA".

In the year the company has largely benefitted from the sale of LED panel Lights, LED Flood Light, Slim Panel Light, LED strip Light.

Its major distribution in India covers more than 10 states including major sale in Rajasthan and Gujarat.

The Group is strongly positioned in high-tech markets and offers the widest range of products, services, technologies and know-how. In the Energy sector, the Group operates in the business of underground and submarine power transmission cables and systems, special cables for applications in a range of industries and building services and also medium and low voltage cables for the construction and infrastructure. In the Telecom sector, the Group manufactures cables and accessories for the voice, video and data transmission and offers a complete range of optical fibres, optical and copper cables and connectivity systems.



Raw Material

Our Company's present and proposed consumption of Raw material is as under:

(Qty. in kg)

Product category	Existing (2017-18)	Proposed (2018-19)
Copper	289008840	317909724
PVC Resin	31910295	35101325
Aluminium	11752879	12928167

Infrastructure facilities

- **Power :** Presently, we have 400 KVA of power supply sanctioned by Uttarakhand Power Corporation Limited, of which we utilize approximately 325 KVA of power for our present business operations. In addition, to avoid any disruption in the power supply, our Company has already installed a DG set of 250 KVA capacity. Therefore, we envisage that our further requirement of power for our proposed modernization at our Haridwar facility can be easily met from the present supplies.
- **Fuel :** Our Company mainly requires HSD for operating the DG sets. The present monthly consumption of HSD is about 1000 litres. The HSD is being supplied by retail outlets of IOC, HPCL and BPCL.
- **Water** : Water is basically required for drinking and other domestic purpose. Our present requirement at our Haridwar unit is about 5000 litres per day. Our entire water requirement is met fromour own borewell. The water supply is regular and sufficient to meet entire requirements. The proposed modernization at our Haridwar facility will require additional 2000 litres of water per day. There is no difficulty in obtaining this because of the presence of a number of borewell and the water level in the area being high due to proximity to nearby canal and a river, Ganga.
- **Manpower :** Our Company has adequate manpower at all levels at present and does not envisage any difficulty in getting the requisite personnel for our business operations at existing locations. Following are the details of our manpower:

Category	Nos.
Top management	3
Managerial & Supervisory staff	6
Office staff	68
Skilled workers	55
Unskilled workers	370
Total	502

- **Effluent Treatment and Disposal** : Our Company does not generate any industrial effluents which is hazardous to the environment. The waste produced during the manufacturing operations is re-used and/ or recycled.
- **Environmental Clearance :** We have got all the necessary approvals from the local authorities to operate our business.
- **Safety standards :** Quality and safety are the hallmarks of our diverse range of products, which are designed and manufactured to the very highest standards such as ISO 9001 and approved by the leading approvals organisations nationally and internationally.
- **Our Strategy :** Further research in process and product engineering to ensure the best manufacturing process for our products in order to enhance competitiveness in the markets is one of our goals. Research and development in electrical accessories and other allied products will better enable a competitive position in the market. Further enhancement of operations by improving the existing assets to yield better output and installation of new assets to enhance and attract new markets are also in the horizon.

- **Capacity and capacity utilization**

Particulars	Projected		Actual
	FY 2017-18	FY 2018-19	FY 2017-18
Wires & Cables			
Installed Capacity	20 Lacs Bundles	20.00 Lacs Bundles	20.00 Lacs Bundles
Capacity Utilization (in %)	40%	40%	31.45%
Production	8.00 Lac Bundles	8.00 Lac Bundles	6.29 Lac Bundles
Electrical Accessories			
Installed Capacity	600 Lac pieces	600 Lacpieces	600 Lac pieces
Capacity Utilization (in %)	30%	30%	15.57%
Production	180 Lac pieces	200 Lac pieces	126 Lac pieces

- **Insurance**

  Our Company has taken up a range of insurance policies including:

  1. Fire policies for our units, buildings and offices, raw materials, work-in-progress and finished goods;
  2. Marine policy for transit of raw materials and finished products in India and Marine Export policy;
  3. Accidental & Health insurance facility for field staff;
  4. Gratuity policy;

  These insurance policies are reviewed annually to ensure that the coverage is adequate. All the policies are in existence and the premiums have been paid thereon.

Risks and Concerns:

1. Common Risks: Accidents in the work place, fires, earthquake, tornadoes, and any other natural disasters
2. Legal Risks, fraud, Theft, etc
3. Uncertainties in financial markets
4. Failure in Projects
5. Credit Risks
6. Outstanding Debtors
7. Security and Storage of Data and Records
8. Competitors have market standing out of Rajasthan.

Internal Control System

- The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Audit Committee reviews adherence to internal control systems and internal audit reports.
- Company has formed the Risk Management Committee for the assessment and monitoring of the risks involved in the Company.
- Preparation and issue of financial reports to shareholders and the markets, including the Annual Report and consolidated financial statements, is overseen by the Audit Committee. The Company's financial reporting process is controlled using documented accounting policies and reporting formats, supplemented by detailed instructions and guidance on reporting requirements. The Company's processes support the integrity and quality of data, including appropriate segregation of duties. The financial information of the parent entity and all subsidiary entities, which form the basis for the preparation of the consolidated financial statements are subject to scrutiny by Group level senior management. The Company's financial reports, financial guidance, and Annual Report and consolidated financial statements are also reviewed by the Audit Committee of the Board in advance of being presented to the full Board for their review and approval;

- Detailed budgetary process which includes identifying risks and opportunities and which is ultimately approved at Board level;
- Board approved capital expenditure and Audit Committee approved treasury policies which clearly define authorization limits and procedures;
- An internal audit function which reviews key financial/business processes and controls, and which has full and unrestricted access to the Audit Committee;
- Established systems and procedures to identify control and report on key risks. Exposure to these risks is monitored by the Risk Management Committee; and
- A risk management programme in place throughout the Company whereby Risk Management executive reviews and monitors the controls in place, both financial and non financial, to manage the risks facing the business.

Details of Subsidiaries

The Company has two subsidiary Companies. One in Jaipur and the other in Duabi, UAE. On May 29th 2017 Veto Electricals Private Limited has inaugurated its manufacturing plant (100% Export Unit) at Mahindra SEZ, Jaipur and has started commercial Production on July 1st 2017.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the Company's subsidiaries are provided in the Annexure-I to the Board of the Company.

In terms of provisions of Section 136 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, and are also available on the website of the Company. These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

On 22nd November, 2014 Veto Electricals Private Limited became the Wholly Owned Subsidiary Company of the Company. Same has been disclosed in Annexure-I

On 11th October 2015 Veto registered a wholly owned subsidiary in Dubai by the name of "Veto Overseas Private F.Z.E. It has earned total revenue of 70,735,181 AED for the year ended 31st March 2018. The Company has declared profit of 6,523,040 AED. It is headed by Mr. Ashish Goklani as its Manager. The copy of the Consolidated audited accounts, together with the independent auditor's report, is provided in a separate section of this Annual Report.

Performance and Financial position of Subsidiary Company

The details with respect to subsidiary Companies in Form AOC-1 as on March 31, 2018 have been discussed in Annexure II.

3. Human Resource Management

Employee Relations

VETO encourages a culture of trust and mutual respect. Employees are aligned on common objectives and take pride in the quality of the products that leave the factory for sale in the markets. We have over the years realized the importance of human capital and duly acknowledge it in its business operations. Your Company has managed to create "Lifers" at VETO- people who have been associated with your Company, many

having started their earning life at VETO. It gives the much needed stability and satisfaction when we realize that our partners in success trust us to such an extent that they stand by us at all times.

Their experience, skills, knowledge, ideas and enthusiasm are an invaluable asset. We humbly acknowledge their contributions with competitive compensation and benefits that appropriately reward performance. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company.

The talent pool of your Company has steadily evolved with changing times with fresh talent being infused to meet demanding situations. The Company has a scalable recruitment and human resource management process which enables us to attract and retain high caliber minds.

Inspired by its commitment to quality and core values of honesty and transparency, your Directors and employees look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

Managerial Remuneration

A) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Nomination and Remuneration Committee continuously reviews the performance of the Managing Director, Whole Time Director and Other Directors.

1. Remuneration paid to Directors

(in Lacs.)

Name of Director	Title	Remuneration in Year 2017-18	Remuneration in Year 2016-17	% increase in Remuneration in comparison to last year	Ratio of Remuneration to MRE
Mr. Akshay Kumar Gurnani	Managing Director	15,00,000	15,00,000	0.00	5.64
Mr. Narain Das Gurnani	Whole-time Director CFO	12,00,000	12,00,000	0.00	4.51
Ms. Jyoti Gurnani	Director	6,00,000	6,00,000	0.00	2.25

1. The remuneration disclosed here is upto 31st March 2018 as per the audited Financial Statements.
2. The Median Remuneration of Employees is Rs. 2,66,136 approx.
3. Median Remuneration is calculated on the basis on annualized salary, MRE – Median Remuneration of employees.
4. No employee received remuneration in excess of the highest paid Director.

5. The median remuneration of employees was Rs. 266131 as on 31st March 2018 and Rs. 2,12,000 as on 31st March, 2017. There was an increase in MRE during the financial year 2017-18 of 24.18%.
6. On 31st March 2018, the total number of permanent employees on the rolls of Company is 502 employees.
7. Average Salary increase of non-managerial employees was 12.78 % and that of managerial employees 22.64 % in financial year 2017-18. There are no exceptional circumstances in increase in managerial remuneration.
8. There has been no change in the remuneration of any other director.
9. Remuneration paid during the year ended 31st March 2018 is as per the Remuneration Policy of the Company.

Particulars of Employees

Your Directors confirmed that no employee fall under the particulars of Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

4. Corporate Governance

Corporate Governance Report

Corporate Governance refers to laws, regulations, and acceptable business practices that determine relationships between corporation owners and its managers, on one hand, and its investors, on the other hand. It was born and evolved in response to corporate failures, crises, and misdeeds. In many types of economies, corporate governance concentrates on at least four important factors: Ensuring disclosures of all relevant information to shareholders and creditors; including business risk analyses; Building a system of rules and voluntary practices that will guide the board of directors; Establishing independent audit committees composed of outside directors; Monitoring and controlling management. On the other hand, developing economies, focus on strengthening and improving the legal and regulatory systems that will help ensure better enforcement of contracts and protection of property rights.

Your Company is committed to achieving and maintaining high standards of Corporate Governance and places high emphasis on business ethics. Your Company has set up a Remuneration Committee under Annexure 1-D of SME Equity Listing Agreement, which was later reconstituted under the name 'Nomination and Remuneration Committee' pursuant to provisions of Section 174 of The Companies Act, 2013.

A report on corporate governance confirming compliance of conditions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been included in Annexure III of this report. The Company has laid down a well-defined Code of Conduct, which fairly addresses the issues of integrity, conflict of interest and confidentiality and stresses the need of ethical conduct, which is the basis of good Governance. This code is applicable to all members of the Board and the Senior Management Personnel. The declaration regarding compliance with Veto Switchgears and Cables

Limited-Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company has been included in Annexure VII of this report.

5. Directors and Key Managerial Personnel (KMP)

Change in directors and KMP during the year

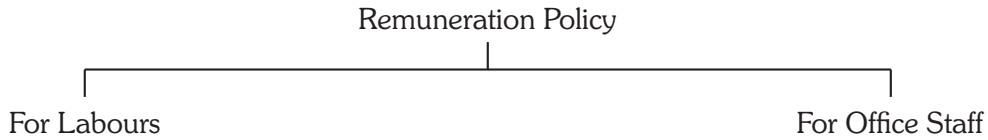
On 13th February, 2017 appointed Mr. Kanwarjeet Singh as an Independent (Non Executive) Director.

Sr. No.	Name Of Director	Designation	Date of Appointment
1.	Mr. Akshay Kumar Gurnani	Executive Managing Director and CEO	27/08/2014
2.	Mr. Narain Das Gurnani	Whole –Time Director and CFO	28/09/2016
3.	Ms. Jyoti Gurnani	Director	27/08/2014
4.	Mr. Mohan Sukhani	Non -exe cutive Independent Director	31/08/2012
5.	Mr. Govind Ram Thawani	Non -executive Independent Director	31/08/2012
6.	Mr. Kanwarjeet Singh	Non -executive Independent Director	06/ 08/ 2017

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors. Relevant details have been provided in the Corporate Governance Report.

Remuneration Policy



I. For Labours:

For fixing the Remuneration for the Labours Minimum Wages Act, 1948 is applicable. Remuneration is payable on Hours basis.

II. For Office Staff:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management of the quantity required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. Minimum 5% increment to the Management of the Company may provide excess of remuneration on the basis of outstanding performance of employee only, if the Company is not satisfied with the performance of the Employee than they can restrict the increment. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

a. Managing Director

The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders.

b. Directors

The remuneration/compensation/commission etc. to Directors will be determined by the Committee and recommend to the Board for approval.

c. Non executive Independent Directors

The Non Executive Independent Director may receive remuneration by way of Sitting Fees for attending meetings of the Board thereof. Provided that the amount of such fees shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

d. KMPs/ Senior Management Personnel

The Remuneration to be paid to KMPs/Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

***e.* Directors' and Officers' Insurance**

Where any insurance is taken by the Company on behalf of its Directors, KMPs/Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

This Policy is updated based on the provisions of the Companies Act, 2013 and rules made thereunder and requirements of the relevant rules and regulations issued by SEBI from time to time.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of

the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with Law.

This Policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

No. of meetings of the Board

Six (6) Board meeting were held during the year 2017-2018 and the gap between two meetings did not exceed four months. The dates on which the Board Meeting was held are as follows:

Detail of Board Meetings held:

Sr. No.	Date of Board Meeting
1.	06th May 2017
2.	30th May 2017
3.	6th September 2017
4.	14th September 2017
5.	14th December 2017
6.	12th February 2018

Declaration by an Independent Director(s) and re-appointment, if any

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms & conditions for the appointment of Independent Directors are given on the website of the Company and separately disclosed in the Corporate Governance Report.

http://www.vetoswitchgears.com/investor/corporate-governance/indpedndent-drectors.

6. Committees of Board

There are currently four Committee of the Board which is as follows:

a) Audit Committee;

b) Nomination, Remuneration & Compensation Committee

c) Corporate Social Responsibility (CSR) Committee;

d) Stakeholders' Relationship Committee

Details of all the Committees along with their composition, charters Duties, Responsibilities and activities and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

Name of Committee	Composition of Committee
Audit Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Mohan Sukhani 3. Mr. Narain Das Gurnani
Nomination and Remuneration Committee1	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Kanwarjeet Singh 3. Mr. Mohan Sukhani
Shareholders'/Investors' Grievance Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Narain Das Gurnani 3. Mr. Mohan Sukhani
Corporate Social Responsibility Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Mohan Sukhani 3. Mr. Narain Das Gurnani

7. Risk Management

The Company has framed and implemented a Risk Management Policy to identify the various business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The risk management policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

8. Directors Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of Section 134(3) (c) read with Section 134(5) of the Companies Act, 2013 in preparation of annual accounts for the year ended 31st March 2018 and state that :

(a) in the preparation of the annual accounts for the financial year ended 31st March 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable prudent so as to give a true and fair view of the state of affairs of the as at 31st March 2018 and profit of the Company for that period;

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

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

(e) proper internal financial controls have been laid down which are adequate and are operating effectively.

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. Related Party Transactions

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval.

The Company has put in place a mechanism for certifying the Related Party Transactions Statements placed before the Audit Committee and the Board of Directors from an Independent Chartered Accountant. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. www.vetoswitchgears.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company. Pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed a Policy on Material Subsidiaries and the same is available on Company's website http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents under the head Policy on Material Subsidiary.

However, you may refer to Related Party transactions in the relevant notes of the Standalone Financial Statements.

10. Listing of Shares

The shares of the Company are listed at BSE Limited & National Stock Exchange of India Ltd. and the listing fee for the year 2017-18 has been duly paid.

11. Prevention of Insider Trading

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information prevent misuse thereof and regulate the trading by Insiders. The code of practice and procedures for fair disclosure unpublished price sensitive information is also available on the Company's website i.e. www.vetoswitchgears.com.

12. Auditors and Auditor's Report

Statutory Auditors

The company as appointed M/s. K. M. Tulsian & Associates (Firm Registration No. 111075W), as the Statutory Auditor(s) of the Company for a period of 5 years commencing from the conclusion of the 10th Annual General Meeting till the conclusion of 15th Annual General Meeting to be held in the year 2022 .

Our comments on financial statements referred to in the Auditor's Reports under Section 145 of the Companies Act, 2013 are given below:

a) With regard to the Emphasis of Matter appearing in the Auditor's Report, your attention is drawn to the notes forming part of financial statements of the year which are self explanatory.

b) With respect to the comments of the Auditors in their report on the Consolidated Audit Report, our responses are given in the Notes to the Financial Statements, which is self-explanatory.

Cost Auditors

Pursuant to the provisions of Section 148 of The Companies Act, 2013 the company is required to conduct cost audit as per Companies (Cost Record & Audit) Rules, 2014 applicable from 1st April 2015.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s Rajesh & Company & Co., Cost Accountants, (Firm Registration Number No. 000031) as Cost Auditor to audit the cost accounts of the Company for the financial year 2018-19. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

Secretarial Audit Report

The Board has appointed Ms. Nisha Agarwal Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2017-18. The Secretarial Audit Report for the Financial Year ended 31st March 2018 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Corporate Governance Certificate

The Company is promptly submitting a "Quarterly Compliance Report on Corporate Governance" as per SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

The certificate from the Practicing Company secretary, Ms. Nisha Agarwal, C.P. No. 8584, confirming compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been included in Annexures of this report.

Reservation and Qualification on Auditor Report

The report doesn't contain any reservation, qualification or adverse remark. Information referred in Auditor's Report are self-explanatory and don't call for any further comments.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

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

However an appeal is pending with the Sales Tax Department, Gujarat regarding assessment order issued and the details have been provided in the Independent Auditors Report.

13. Extract of Annual Return

The details with respect to extract of Annual Return is available at Company's website: http://www.vetoswitchgears.com/investor- zone/category/financial-information/reports/ .

14. Details in respect of adequacy of internal financial controls with reference to the financial statements

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness is observed.

15. Depository System

Our Company's Equity Shares are available in dematerialized form through The National Securities Depository Limited (NSDL) and The Central Depository Services of India (India) Limited (CDSL). The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. Accordingly, all shares post IPO, of the Company is held in demat form.

16. Report under the Prevention of Sexual Harassment Act

As a good corporate citizen, Veto is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevent/stop/redress sexual harassment at the workplace and institute good employment practices. Veto has established suitable processes and mechanisms to ensure issues such as sexual harassment, if any, are effectively addressed. Maintaining an open door for repartees, Veto encourages employees to report any harassment concerns and is responsive to complaints about harassment or any other unwelcome and offensive conduct. An Internal Complaints Committee has been constituted to enquire into complaints and recommend appropriate action, wherever required. Veto demands, demonstrates and promotes professional behavior and respectful treatment of all employees. During the year, no complaints of sexual harassment were received.

17. Conservation of energy, technology absorption and foreign earning and outgo

Disclosure pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy and the steps taken by the company for utilizing alternate sources of energy; Energy conservation measures taken Company has taken several steps to conserve energy through its "Sustainability" initiatives. The Company continues its endeavor to improve energy conservation and utilization. The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company and special

efforts are being put on undertaking specific energy conservation projects like :

1. Lighting: Efforts have been put by Company to reduce or optimize the lighting requirements at all the plants. Replacement of Conventional Light fittings with LED light fixtures, leading to savings in power at office areas. d) Installation of CFL, LED indicators, Use of 54Wx4 T5 lamps for assembly area.
2. Replacement of old equipment with new/ energy efficient equipment.
3. Optimization of Electrical Equipment: In addition to the existing controls on prime production equipment and existing prime utilities equipment, electrical equipment modifications / additions being done are continuous monitoring of Power factor of plant on daily basis, and redesign of pay off fixtures in cable division to reduce energy consumption by 30%.
4. Company believes in sharing and implementing best practices across all plants & stage wise replacement of conventional light fittings to LED light fittings is under progress across the manufacturing units. Impact of measures reduction of energy consumption.

   The above measures have resulted in optimizing energy consumption and savings cost of production, reduction on carbon emissions and processing time.

   Capital investment on energy conservation equipments – Efforts have been put by Company to reduce or optimize the energy requirements at all the plants. Company encourages capital investment in energy-saving equipment's, plants or machinery and has invested a significant amount on the same.

(B) ENVIRONMENT, HEALTH AND SAFETY

VETO is committed to caring for people and the planet by integrating environmental and safety principles in all aspects of its business are it from procurement, material-use, manufacturing of sustainable products, creating awareness through marketing, and innovation/R&D for better products and processes. We constantly monitor and better our environmental and occupational health and safety performance through our internal risk management exercise. At the compliance level, your Company conforms to all applicable regulatory Environmental Health & Safety (EHS) requirements wherever it operates.

Our Company is sensitive to environmental and resource conservation and its manufacturing philosophies ensure safety of the worker and surroundings.

Being in a non-polluting category of business, it has minimal impact on the environment but has a huge positive impact on the local community. RoHS or 'Restriction of Hazardous Substances' compliance in all its products like CFLs, cables, PCBs, etc. ensures safety across the product life cycle. Our Company strongly believes and promotes energy conservation not only through its products but also within the premises. Energy conservation measures have been adopted at all the plants.

Our Company follows best practices for health and safety. Employees and workers are regularly trained by industry experts on issues of occupational and industrial health & safety, first-aid and environment management. Healthy lifestyle and well-being are also promoted as a culture at VETO. Our Company also provides life insurance cover, personal accident cover and robust medical & health policies to all field staff against any unfortunate incident. VETO India strongly believes in maintaining a work-life balance and therefore follows strict in-and-out work-timings. This has gone a long way in maintaining a healthy, happy and motivated workforce.

(C) TECHNOLOGY ABSORPTION

The Company is putting continuous efforts in acquisition, development, assimilation and utilization of technological knowledge through its wide advance engineering project portfolio. This has enabled the Company to keep abreast with the latest developments in product technology, manufacturing process and methods, quality assurance and improvement, marketing, management systems and benefit out of mutual experience. To develop our product pipeline, we commit substantial time, efforts, funds and other resources for R&D. Our processes and products currently under development, if and when fully developed and tested, may not perform as we expect and we may not be able to successfully and profitably produce and utilize such products or processes. Therefore, our investments in R&D and new product launches could result in higher costs without a proportionate increase in revenues.

Company is carrying out the following activities to fulfill short term and long term business goals:

- Upgradation of existing product and processes to save cycle time, energy consumption and overall operational efficiency.
- Import substitution and identification of new raw materials for development.
- Technology support to all plants to improve efficiency and enable business growth.
- Optimization of products and processes to minimize waste generation and address environmental and safety concerns.
- Development of smart test methods to speed up testing of incoming raw materials.
- Development of in house domain expertise to support product development.
- Focus on in house product development in the area of smart internet base solution etc.
- The benefits derived like product improvement, cost reduction, product development or import substitution:

(D) Detail of Foreign Exchange Earnings and Outgo.

During the financial year Company's Foreign exchange earned in terms of actual inflows year was 1,64,09,976 INR and the Foreign Exchange outgo in terms of actual outflows (including machinery imported) was 21,73,177 INR. Hence net foreign exchange inflow is 14236799.374 INR. The information on foreign exchange and outgo is furnished in the relevant notes to the accounts of Standalone Financial results

18. Credit Rating

Your Company has been reaffirmed long-term rating of BBB+ (ICRA triple B plus) by ICRA Limited. The outlook of long term rating is "Stable".

19. Employee Stock Options under ESOP 2015

The Company had, vide special resolution passed in the Annual General Meeting held on 26th August, 2015 has approved the company's ESOP Scheme 2015. The purchase price of the options was approved on 23.05.2016 under the supervision of the Nomination and Remuneration Committee of the Board of Directors of the company. Further, Pursuant to the exercise of stock options under Employee Stock Option Scheme 2015 ("ESOP Scheme 2015"). In accordance with the terms and conditions of the plan the company has granted 916355 stock options on 23.05.2016 and Vested on

23.05.2017 in single tranche. The said options were exercisable within a period of 1 to 3 years from the date of vesting and settled by way of issue of equity shares. The details of the same are as under:

Vesting period	1 to 3 years	
Exercise period	3 Years from the date of Vesting of Options	
Pricing Formula	Each option carries the right to the holder for one equity share of the company at Rs. 50	
Brief details of option granted	- The above options have vesting period of 1 to 3 years. - The options shall be exercisable within a period of 3 years after vesting of the same. - The options carry the right to apply for equivalent number of equity shares of the Company.	
Employee wise details of options granted to – i) senior managerial personnel ii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	- Jyoti Gurnani - Akshay Gurnani	900 6,69,855

20. Management Discussion and Analysis

Management Discussion and Analysis report is attached herewith forms part of this report. Summary of performance and various businesses and functions of the Company is as follows:

i. Economy and Markets

India is well on its way to becoming a global supplier of goods and services. An efficient power supply system is the key ingredient for a country's economic growth and quality of life. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste.

At present, India has on installed generating capacity of over 305.5 GW/ however the peak demand gap has increased to about 16% recently due to cool shortages. The GoI has set on ambitious goal in its 12th plan for generation capacity addition of about 88537 MW. Indicaling significant growth in the power transmission sector, the CEA has estimated on investment of Rs 2.6 lakh Cr till 2022.These and other estimates form the base for a draft Notional Electricity Plan-Volume 11/ which would be the basis for investment and policy planning in the sector. Also, Inter-regional capacity addition during the 13th plan (2017-22) is estimated at 45/700 Mw, from the present 63/650 Mw by the plan end, said CEA in the draft. The investment figurer it said, included on estimate of Rs 30/000 crore in transmission systems below 220 kv. About Rs 1.6 lakh Cr would come from states and the other Rs 1 lakh crore from Power Grid Corporation of India. The govt is planning to increase the size of projects and scope of work in transmission.

The Electrical Equipment Industry tends to be more cyclical than the majority of groups covered by Value Line in terms of product demand. Sales are tied largely to overall economic conditions, with an emphasis on the industrial, utility, and construction sectors. Earnings may also be driven by consumer-based industries, , as well as capital spending by manufacturing firms and government outlays. On the cost side, too, fluctuations in the price of commodities, such as steel, may significantly affect profitability among this group.

The Government of India is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022. The government has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60 GW by 2022 from the current 20 GW. With electricity production of 1,201.543 BU in India in FY18, the country witnessed growth of around 55.72 per cent over the previous fiscal year. Over FY10–FY18, electricity production in India grew at a CAGR of 5.69 per cent. India is world's third largest producer and fourth largest consumer of electricity in the world.

Wires and cables play an indispensable role in today's digitally-enriched life and find extensive usage across a number of applications in several industries. The continuously rising set of applications of wires and cables across the burgeoning power, automotive, telecommunication, and construction industries are expected to bode well for the global consumption of wire and cable materials in the next few years.

Market research analysts have predicted that the electric wire and cable market in India will grow steadily during the next four years and post a CAGR of almost 16% by 2020. The wire and cable industry analysis identifies the growth in renewable power generation to be one of the primary factors for the growth of the electric cable and wire market. This will create a significant demand for electrical wires and cables, mainly because of the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energyresources are set up. Moreover, the expansion of the existing renewable power generation plants, in the emerging countries, will also result in the increasing demand.

The main customers for the wire and cable industry are the automotive, telecommunication and construction industries. In the past few years, these three have witnessed a rapid expansion and have led to an annual growth of about 25% in India.

India could become the world's first country to use LEDs for all lighting needs by 2019, thereby saving Rs 40,000 crore (US$ 6.23 billion) on an annual basis.

One of the major tax reforms, the Goods and Services Tax (GST) Amendment Bill passed during the year, aims at streamlining the country's complex tax system, reduce fragmentation in markets, lower business costs, and widen the tax base. Robust implementation of these legislative changes will be key to boost prospects of the organised market.

We have proposed to expand our manufacturing capacity so as to meet the increased demand both in domestic and foreign markets. De-licensing and Removal of Tariffs for the Industry , Low Entry Barriers, Increased Demand for Housing, Increased Growth in the Emerging Markets and in the Production of Renewable Energy and Increased Growth in the Emerging Markets and in the Production of Renewable Energy are also our basic growth drivers of the market. We are also looking forward to housing projects of Government and semi-government agencies.

Source:, http://www.openpr.com/ , http://ieema.org/, wire & cable India; https://www.technavio.com

https://www.prnewswire.com/; https://www.ibef.org/industry/power-sector-india.aspx;

ii. Market Overview

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the

competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). Total installed capacity of power stations in India stood at 343.79 Gigawatt (GW) as on April, 2018.

Control panel & Switchgears

India Switchgear Market (2017-2022) Report says that, growing T&D network and rural electrification program coupled with infra development are the key factors driving the switchgear market in India. Govt schemes & initiatives such as UDAY & DDUGJY are expected to further fuel the growth of switchgear market in the forecast period. According to 6Wresearch report, India switchgear market is projected to reach $3.7 Billion by 2022.

Further, govt initiatives to increase the penetration of clean energy is also a major source of growth for the switchgear market in India.

Veto Switchgears and Cables Ltd has received on order of 6 lacs pieces per annum. The Company is in the process of establishing a LED factory in its existing facility in Vasai, Maharashtra. The production is estimated to start from Oct'18, with on estimated CAPEX of 2.5 Cr for the production of Panel Lights, Tube Lights, Flood Lights etc. The factory's total estimated turnover is Rs 30 Cr/annum .

The international market showing the price hike by 2024 for low voltage switchgear industry, further the growing in demand for electrical and power sector in addition to the urbanization have increased the demand for electrical products and electrical protection equipment.

The Indian power sector has an investment potential of Rs 15 trillion (US$ 225 billion) in the next 4-5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment. The govt's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use. The GoI is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve Indio's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022. The govt has also sought to restart the stalled hydro power projects and increase the wind energy production target to 60-GW by 2022 from the current 20 GW.

Wires and Cables

The Indian wire and cable industry is growing satisfactorily and getting more and more consolidated and becoming largely organized now. However, slowdown in construction activity has been one of the major factors for a sluggish growth. Construction is also one of the core sectors of Indian economy and future of the industry is important for commodities. Construction cables and wire sector anticipated to see steep growth in demands in coming days owing to huge government's spending in infrastructure, smart cities, real estate boom, and housing explosion.

An industry delegation highlighted the sharp rise in tax rate to Gal. Manufacturers also questioned the logic of placing a higher tax when a sig. portion of the industry remains unorganized. A lower tax rate would have certainly helped the industry becoming more organized. The unorganized sector seems to continue to thrive as recycled & scrap copper could be easily smelted to make cheap items.

The Central Government's 'Housing for All by 2022' (20mn houses for urban poor and 30mn for rural poor) and Smart Cities (development of 100 cities) missions promise to trigger fast-paced rollout of new homes. This should usher in multi-year growth for electrical products and appliances. Increasing consumer focus on aesthetics and energy efficiency has also resulted in notable shift towards branded products. With its ability to offer competitive pricing, superior product range & quality, upgraded technology and innovations, more safety features, and increased brand awareness, VETO is well placed to offer an enriching consumer experience.

iii. Competition

The market consists of a number of international and regional or local vendors who face intense competition from the unorganized vendors. The regional and unorganized players in the market are offering products at a comparative price which induces the well-established international electric wire and cable manufacturers to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and wire manufacturers are also following strategies such as mergers and acquisitions to acquire new technologies and expand their customer reach.

The leading vendors in the market are -

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the market are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries.

iv. Marketing Setup

Veto holds a major part of market share of electrical accessories in India. The company has a strong and hardworking team of marketing professionals, dealers and distributors. Our Promoters have vast experience of marketing of wires and cables and electrical accessories & other allied products. They have been manufacturing and marketing these products for past over 35 years. We have a good reputation among our dealer network which consists of more than 2,000 in number. The sale price of the components to be manufactured is decided based on design complexities, material, process, quantity, period of supply, etc.

Your Company has major earning in the state of Rajasthan and Gujarat. But this year our focus is to widen and cover more and more states of India. Almost 10 stated have become a major part of our distribution Network stating Maharashtra, Punjab, Madhya Pradesh, Haryana, Uttar Pradesh, Jharkhand, Kerela, New Delhi and Assam . The company has broadened its network and distribution. We have also had major success in some of the biggest cities of UAE. The company and its Board have started working towards making Veto a globally established brand. Our products are marketed in both domestic and international markets.

v. Export obligation

As on the date, we do not have any export obligations.

vi. Strength

- Established brand in North West India and central;
- Experienced management team;
- Organized and comprehensive product offering;
- Established reputation for quality products;
- Driving growth through innovation and marketing;
- Our relationship with customers;
- Our relationship with more than 2,000 dealers;
- Dedicated team of technical manpower;

vii. Weakness

- Player in regional market.
- Any avoidance of rules of Govt. caused under unavoidable circumstances may have an adverse impact on the project.

viii. Opportunity

- The location of the unit is the hub of industry of the multiproduct category. This will cause a competition and that will help the customer to differentiate between the average and the best product. The importers will get variety of the products, which will be a healthy situation for the Industry ultimately.
- The Company has many opportunities in view of the increasing demand for wires & cables and electrical accessories.
- Decrease in copper prices.

ix. Threats

- Our contingent liabilities, not provided for, if crystallized, could adversely affect our financial condition.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

- The loss of or shutdown of operations at our production facilities may have a material adverse effect on our business, financial condition and results of operations.

The breakdown or failure of our equipments and/ or civil structure can disrupt our production schedules, resulting in performance being below expected levels. In addition, the development or operation of our facilities may be disrupted for reasons that are beyond our control, including explosions, fires, earthquakes and other natural disasters, breakdown, failure or sub-standard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks, and labour disputes. Our production facilities are also subject to mechanical failure and equipment shutdowns. Our machineries may be susceptible to malfunction. If such events occur, the ability of our facilities to meet production targets may be adversely affected which may affect our business, financial condition and results of operations.

- Low cost end-to-end business model being adopted by existing or new competitors.
- Heightened competitive intensity with externally-funded players looking to drive aggressive strategies in the market.

Disclaimer Clause

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

Acknowledgment

We thank our customers, vendors, investors and bankers for their intense support throughout the year. We place on record our appreciation of the contribution made by our employees at all levels. We thank the Government of India, particularly the Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Custom and Excise Departments, Income Tax Department, the Reserve Bank of India, the State Governments and other government agencies for their support, and look forward to their continued support in the future.

for and on behalf of the Board of Directors

Date : 07/09/2018

Place : Jaipur

Sd/-
Akshay Kumar Gurnani
Managing Director & CEO
DIN: 06888193

Sd/-
Narain Das Gurnani
Whole-time Director & CFO
DIN: 01970599

Annexure I

Subsidiary Companies Brief

1. VETO ELECTRICALS PRIVATE LIMITED

Veto Electricals Private Limited ("VEPL") was incorporated on March 24, 2008 vide Certificate of Incorporation issued by the Registrar of Companies, Rajasthan, at Jaipur. The CIN of VEPL is U31300RJ2008PTC12189.

The main objects of VEPL are to carry on in India or elsewhere all or any of the business of general merchants, manufacturers, buyers, seller, importers, exporters, traders, procurers, retailers, distributors, franchises and collaborators in all kinds and every description of wires, cables, electrical fans and accessories, PVC wires, copper conductors, aluminum conductors or other conductors made of any of the substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, luminaries and accessories etc. and other appliances, cables, wire lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above and business related commercial activities and services, merchandise, electrical and electronic goods at outright commission basis or through departmental stores, super markets, chain stores of electrical and electronic items.

Registered Office

The registered office of VEPL is located at 230, Sindhi Colony, Raja Park, Jaipur, Rajasthan 302 004 India.

Capital Structure and Shareholding Pattern

The authorized share capital of VEPL is Rs. 10,00,000 divided into 1,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid- up share capital is Rs.10,00,000 divided into 100,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100% i.e. 1,00,000 equity shares.

Board Composition

- Mr. Akshay Kumar Gurnani
- Mr. Govind Ram Thawani
- Mr. Jitendra Kumar

2. VETO OVERSEAS PRIVATE F.Z.E (FOREIGN SUBSIDIARY)

Veto overseas Private F.Z.E, in Ajman (U.A.E.) was incorporated on 11th Oct 2015 by the consent of the Board of Directors of our company vide resolution passed on August 31st 2015.

Address:

SM-Office-C1-520B Ajman Free Zone, Ajman (UAE)

Capital Structure and Shareholding Pattern

Authorised Capital 10 Million AED and minimum paid up capital of 1 Million AED.

Management

Mr. Ashish Goklani currently holds the position of the Manager, for Veto Overseas Private F.Z.E. He was authorised by the Board to do all other necessary things relating to Local Authorities, Government or Semi Government Department Ministries, Free Zone Authority, all companies establishment or other business and sign on necessary documents . He was further authorised to open bank accounts, borrow for behalf of the company and avail financing facilities from banks and Financial Institutions from the bank and Financial institutions and to pledging/hypothecating/mortgaging any asset of the company and can also give third party guarantee on the behalf of Veto Overseas Private F.Z.E.

Annexure II

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

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) In the prescribed form AOC-1

Part "A": Subsidiaries

Amounts in INR except % of shareholding

Particulars	**Details**	
Name of the subsidiary	**Veto Overseas Private F.Z.E**	**Veto Electricals Private Limited**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**March 31, 2018**	**March 31, 2018**
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED 1 = 17.72 INR	-
Share capital	18120000	1000000
Reserves & surplus	231411254	(6696445)
Total assets	501508685	144770513
Total Liabilities	270097431	150466958
Investments	0	0
Turnover	1241806126	55987707
Profit before taxation	92668271	715244
Provision for taxation/Deferred Tax	0	1207337
Profit after taxation	92668271	(492093)
Proposed Dividend	0.00	0.00
% of shareholding	100%	100%

Notes :

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies are based on the exchange rates as on March 31, 2018.
2. Veto Electricals Private Limited, Wholly Owned Subsidiary Company has owns its manufacturing plant (100% Export Unit) at Light Engineering Zone, Mahindra SEZ, Jaipur commercial production started w.e.f. 01.07.2017.
3. Veto Overseas Private F.Z.E has distributed an interim dividend of AED 1,203,712/- (One Million two hundred and three thousand seven hundred and twelve Arab Emirates Dirhams) which is equivalent to INR 2.15 Crore approximately.
4. The reporting period for all the subsidiaries is March, 2018.
5. Part B of the Annexure is not applicable as there is no associate companies/joint ventures of the Company as on 31st March, 2018.

Date : 07/09/2018	**Akshay Kumar Gurnani**	**Narain Das Gurnani**
	Managing Director & CEO	**Whole-time Director & CFO**
Place : Jaipur	**DIN: 06888193**	**DIN: 01970599**

Annexure III

Corporate Governance Report

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended 31st March, 2018 is presented below :

1. Philosophy on Code of Corporate Governance

Corporate Governance is the application of best management practices, compliances of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholder value and discharge of social responsibilities. Adopting high standards gives comfort to all existing and potential stakeholders including government and regulatory authorities, customers, suppliers, bankers, employees and shareholders. Your Company believes in adopting and adhering to the best standards of Corporate Governance. Veto Switchgears and Cables Limited's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability and equity in all spheres of its operations. Your Company is committed towards transparency in all its dealings and places high emphasis on business principles and believes the good Corporate Governance goes beyond working results and financial priority and is pre-requisite for the attainment of excellent performance.

2. Our Policy

Our Company has complied with the provisions and other requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the meetings of the Audit Committee, the CSR Committee, Nomination and Remuneration Committee, Risk Management Committee and the Shareholders'/ Investors Grievance Committee. The Board of Directors consists of a total of 6 Directors of which 3 are independent Directors (as defined under Clause 52), which constitutes 50% of the Board of Directors. The details of the Board of Directors, Audit Committee, the CSR Committee, Nomination and Remuneration Committee, Risk Management Committee and the Shareholders'/ Investors Grievance Committee of our Company are given below:

Board of Directors

Our Company currently has Six Directors on the Board.

The following table sets forth details regarding the Board of Directors as on the March 31, 2018:

Composition and category of Directors :

Sr. No.	Name of Director	Designation / category of directors	Number of other Board Committees in which the directors are member	Number of other Board Committees in which director is a chairman
1.	Mr. Akshay Kumar Gurnani	Managing Director, Chairman / Promoter	-	-
2.	Mr. Narain Das Gurnani	Executive Whole – Time Director	03	-
3.	Ms. Jyoti Gurnani	Director	-	-
4.	Dr. Kanwarjeet Singh	Non-Executive Independent Director	01	-
5.	Mr. Mohan Sukhani	Non-Executive Independent Director	04	-
6.	Mr. Govind Ram Thawani	Non-Executive Independent Director	04	04

Details of directors appointed and resigned during the year under review: Dr. Kanwar Jeet Singh was appointed as the Non executive independent Director w.e.f. May 6th 2017.

Note : Private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 are excluded for the above purposes. Only audit committee, shareholders' grievance committee, Nomination and Remuneration Committee and CSR Committee are considered for the purpose of committee positions as per listing agreement.

iii) Disclosure of relationships between Directors inter-se :

Ms. Jyoti Gurnani who is the sister of Mr. Akshay Gurnani, CEO and Managing Director. Except that there is no inter-se relationship between our board members.

iv) Conduct of Board Proceedings

The day to day matters concerning the business are conducted by the Executives of the company under the direction of Executive Directors with the ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the company.

v) Number of shares and convertible instruments held by Non-Executive Directors :

None of the Non-Executive Directors holds any share in the company.

vi) Web link where details of familiarization programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from

time to time. The entire Board including Independent Directors has access to Product Heads/ Factory Heads and other commercial/ technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively. The details regarding are given on the website of the Company and can be accessed at at http://www.vetoswitchgears.com/investor/corporate-governance/independent-directors under the head Familiarization under the head Familiarization Program for Independent Directors.

Program for Independent Directors.

vii. Meeting of Independent Directors

During the year under review, the Independent Directors met on February 07th, 2018, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this Meeting.

viii) Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting:

Sr. No.	Name of the Director	Attendance in Board Meetings						
		06 May 2017	30 May 2017	06 Sept 2017	14 Sept 2017	14 Dec 2017	12 Feb 2018	AGM on 29th Sept 2017
1.	Akshay Kumar Gurnani	✓	✓	✓	✓	✓	✓	✓
2.	Narain Das Gurnani	✓	✓	✓	✓	✓	✓	✓
3.	Jyoti Gurnani	✓	✓	✓	✓	✓	✓	✓
4.	Kanwarjeet Singh	✓	✓	✓	✓	✓	✓	Leave of Absence
5.	Mohan Sukhani	✓	✓	✓	✓	✓	✓	Leave of Absence
6.	Govind Ram Thawani	✓	✓	✓	✓	✓	✓	✓

3) Board Committees

The Board has four Committees namely Audit Committee, Nomination, Remuneration & Compensation Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee.

a) Audit Committee

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Companies Act, 2013 and Regulation 18 of the SEBI (LODR), Regulations, 2015. The primary objective of the Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

i) Composition

The Audit Committee comprises of the following members:

1. Mr. Govind Ram Thawani - Chairman
2. Mr. Mohan Sukhani
3. Mr. Narain Das Gurnani

ii) Terms of reference/scope of the Audit Committee:

The Committee oversees the work carried out in the financial reporting process by the management, by Internal Auditors and Statutory Auditors and notes the processes and safeguards employed by each of them. In particular, these include:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management the annual financial statements before submission to the Board for approval, with particular reference to:
    a. Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Sub-section 5 of Section 134of the Companies Act, 2013.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transaction.
    g. Qualification in the draft audit report.
5. Reviewing with the management, the half-yearly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower Mechanism, in case the same exists.
13. Carry out any other function as is mentioned in the terms of reference of Audit Committee.

iii) Meetings and Attendance during the year

Five Meetings of the Audit Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Sr. No.	Name of the Director	Attendance in Audit committee Meetings				
		30/05/2017	06/09/2017	14/09/2017	14/12/2017	12/02/2018
1.	Mr. Govind Ram Thawani – Chairman	✓	✓	✓	✓	✓
2.	Mr. Mohan Sukhani	✓	✓	✓	✓	✓
3.	Mr. Narain Das Gurnani	✓	✓	✓	✓	✓

b) Nomination and Remuneration Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulations, 2015 and Regulation 5 of SEBI (Share Based Employee Benefits) Regulations, 2014:

i) Composition

1. Mr. Govind Ram Thawani - Chairman
2. Dr. Kanwarjeet Singh
3. Mr. Mohan Sukhani

i) Terms of reference/scope of the Nomination and Remuneration Committee:

The role of the Nomination and Remuneration Committee is to review market practices and to decide on remuneration packages applicable to the Managing Director and Senior Executives of our Company. The broad terms of reference of the Committee are as follows:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
   a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
   b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
4. The Chairperson of the said Committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the Company.
5. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder & SEBI Regulations.

iv. Meetings and Attendance during the year :

Three Meetings of the Nomination and Remuneration Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Sr. No.	Name of the Director	Attendance in Nomination and Remuneration Committee Meetings	
		30/05/2017	06/09/2017
1.	Mr. Govind Ram Thawani – Chairman	✓	✓
2.	Mr. Mohan Sukhani	✓	✓
3.	Mr. Kanwarjeet Singh	✓	✓

v. Criteria for performance evaluation of Independent Directors and the Board

As per the provisions of SEBI (LODR), Regulations, 2015, the Nomination and Remuneration Committee (the "Committee") has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board.

Further, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation. The Board is committed to assess its own performance in order to identify its strengths and areas in which it may improve its functioning. The Board has established a formal process to annually evaluate the performance of the Board, that of its principal Committees, the Audit, Nomination and Remuneration committees, and that of the Chief Executive, the Chairman and individual non-executive directors. The Board anticipates that the formal evaluation will be completed yearly. Based on the evaluation process completed, the Board considers that the principal Committees have performed effectively throughout the year.

The Committee has established the processes for evaluation of performance of Independent Director and the Board. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board to organize the evaluation process and act on its outcome.

As part of the Board evaluation of its own performance, questionnaires are circulated to all directors. The questionnaire is designed to obtain directors 'comments regarding the performance of the Board, the effectiveness of Board communications, the ability of directors to contribute to the development of strategy and the effectiveness with which the Board monitors risk and oversees progress. Directors are also invited to make recommendations for improvement.

The Chairman, on behalf of the Board, reviews the evaluations of performance of the non-executive directors on an annual basis. The non-executive directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the executive director. The non-executive directors also evaluate the performance of the executive director. These evaluations are designed to determine whether each director continues to contribute effectively and to demonstrate commitment to the role.

The Audit, Nomination and Remuneration committees carry out annual reviews of their own performance and terms of reference to ensure they are operating at maximum effectiveness and recommend any changes they consider necessary to the Board for approval. Accordingly, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of Independent Directors was also carried out by the entire board. The performance evaluation of the Chairman and Non-Independent Directors was also carried out by the Independent Directors.

c. Shareholders'/ Investors' Grievance Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 which are given below:

i. Composition

The Shareholders'/ Investor Grievance Committee comprises of the following members:

1. Mr. Govind Ram Thawani - Chairman
2. Mr. Narain Das Gurnani
3. Mr. Mohan Sukhani

The Company Secretary acts as a Secretary to the Committee.

ii. Terms of reference:

The Committee normally meets as and when required and have following powers and responsibilities:

1. It shall have the authority to investigate into any matter in relation to transfer of securities or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our company and external professional advice, if necessary.
2. To investigate any activity within its terms of reference.
3. To seek information from any employee.
4. To seek information from share transfer agents.
5. To obtain outside legal or other professional advice.
6. To secure attendance of outsiders with relevant expertise, if it consider necessary.
7. To approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities.
8. To approve share transfer / transmission of securities periodically, whether by circular resolution or otherwise.
9. To look into redressing of shareholders' complaint like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends, etc.
10. To oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investors services.

iii. Detail of shareholder's complaints

Particulars	**No. of complaints**	**whether resolved/ if yes, no. of days taken in resolution**
Shareholder's Complaints received during the year	3	NA
Complaints not solved to the satisfaction of shareholders	0	
Complaints pending	0	

d. Corporate Social Responsibility Committee

The Committee's constitution and terms of reference are in compliance with provisions of the Section 135 of the Companies Act, 2013 which are given below:

1. Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Act.
2. Recommend the amount of expenditure to be incurred on the activities as specified above.
3. Monitor the Corporate Social Responsibility policy of the Company from time to time.
4. Such other activities as the Board of Directors may determine from time to time.

Commitment

We are committed to:

- Continuous improvement in our Corporate and Social Responsibility (CSR) strategy;
- Encouraging our business partners to strive for matching performance;
- Acting in a socially responsible way;
- Continually improving our performance and meeting all relevant legislation;
- Encouraging our staff to be mindful of the effect of their actions on any natural resource.

Purpose and Aims

- The purpose of the policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR policy applies throughout all of the Procurement Service and governs our approach to all our activities;

In implementing this policy we aim to:

- Be responsible;
- Be an exemplar of good practice.

Standards of business conduct

- We recognise that good CSR embraces all aspects of sustainable development and the way we affect people through our business operations;
- We will assess which social issues are of most relevance to the contract and decide at what stage in the procurement lifecycle this social policy could most effectively and legally be included;
- We shall operate in a way that safeguards against unfair business practices;
- We believe that a responsible approach to developing relationships between companies and the communities they serve, global or local, is a vital part of delivering business success;
- When carrying out our business, in consultation with our customers, we will determine the environmental, social and economic issues;
- Our contracts will clearly set out the agreed terms, conditions and the basis for our relationship;
- We will continually review our policies and business practices to encourage engagement with small and medium enterprises and to promote the development of the regional supply chain.

Corporate Governance

- We will share and declare information on personal and corporate conflicts of interest and seek guidance from higher authority before acting;
- We are committed to ensuring that our business is conducted in all respects according to rigorous ethical, professional and legal standards;
- All the laws that regulate and apply will be complied with;
- We endeavor to ensure that stakeholders have confidence in the decision-making and management processes of the Procurement Service, by the conduct and professionalism of all staff. We do this by continually training and developing our staff;
- All groups and individuals with whom we have a business relationship will be treated in a fair, open and respectful manner;
- Competition will be reasonable and based upon the quality, value and integrity of the products and services being supplied;
- Feedback on performance will be actively sought, and we will continually review all activities to ensure best practice is observed at all times;
- We will allow our customers and vendors to give feedback on our performance and ensure that all customer comments are analysed, responded to and where appropriate, acted upon;
- An Action Plan will be developed to ensure continuous improvement is achieved.

Environment

- Our objective is to endeavor to reduce our impact on the environment through a commitment to continual improvement;
- We will continue to work with our vendors to reduce their impact on the environment;
- We do assess production, use and disposal associated with the main goods we use;
- Our customers will be informed of the key issues involved in procurement so they can make informed purchases to reduce their impact on the environment;
- We will ensure that paper products used come from forests independently certified as well-managed according to the standards of the Forest Stewardship Council (FSC), or from recycled materials. All virgin paper products have been banned throughout the Company, environmental alternatives are used.

Human Rights

- We aim to support and respect the protection of internationally proclaimed human rights;
- Vendors are actively encouraged to observe international human rights norms within their work.

Equality and Diversity

- We aim to eliminate discrimination on any grounds and promote equality of opportunity in the supply chain;
- We will ensure that our customers and vendors are able to work together in confidence and be treated with respect by each party;

- Our range of contracts will take account of the needs of a diverse customer base.

Sustainability

- A Sustainable Procurement Policy will be maintained that will set out the principles, policies and procedures on which sustainable business activity within Company will be based.
- The policy will act as a prompt to staff to consider sustainability as a factor in all purchasing decisions;
- We seek to minimize the adverse environmental effects of people travelling to and from our offices

Impact on Society

- We will take steps to understand how we can most effectively support the needs of the local community and implement initiatives accordingly;
- Our impact on the local and wider community will be understood and nurtured;
- Dialogue with local communities shall be encouraged for mutual benefit.

Ethics and Ethical Trading

- We will ensure clear visibility through our supply chains, so we know where all our products are made;
- Training will be provided to relevant people on environmental and social issues affecting our supply chains;
- We will ensure that vendors uphold the workplace standards and behaviors consistent with the Company's requirements.

Biodiversity

- We actively encourage the use of sustainable practices in the maintenance of the Company grounds and premises.

Vendors (Suppliers)

- Vendors will be worked with to help us achieve our policy aspirations in the delivery of our products and services;
- We shall encourage vendors to adopt responsible business policies and practices for mutual benefit;
- Vendors are regarded as partners and we will work with them to help us achieve our policy aspirations in the delivery of our products and services;
- A documented environmental and social assessment will be undertaken for every new contracted vendor;
- We are committed to ensuring that the welfare of workers and labour conditions within our supply chain meet or exceed recognized standards;
- Where necessary, we will exert procurement pressure to ensure that all of our vendors behave in a socially responsible way. This includes environmentally-friendly products and making sure that workers are treated properly;

- Where appropriate, our tender specifications include questions to reflect our desire for sustainable procurement;
- We hold regular meetings with vendors to support these ideas;
    - We will continue to work with vendors to:
        - Promote more environmentally friendly products and promote these to our customers;
        - Reduce the amount of packaging and transit where possible;
        - Implement schemes to take-back, recover, re-use and recycle products at the end of their use/life.

ii. Composition of CSR Committee:

Name of the Director	Category of the Director	Position Held in the Committee
Mr. Govind Ram Thawani	Non Executive Independent Director	Chairman
Mr. Mohan Sukhani	Non Executive Independent Director	Member
Mr. Narain Das Gurnani	Executive Director	Member

iii. Projects under CSR Committee :

1. Rural Development/ Weaker Section Welfare (Inclusive of Natural calamities also) (approx 60% of projected monthly expenditure)
2. Animal Protection (approx. 20% of projected monthly expenditure)
3. Water facility to needy people (approx. 20% of projected monthly expenditure)

iv. Monitoring Process

The Committee will monitor the outflow of funds for the above projects on Quarterly basis.

(4) Remuneration of Directors

(a) All pecuniary relationship or transactions of the non-executive directors

None except for the Sitting Fee or the payment of Commission to Independent Directors.

(b) Criteria of Making Payments to Non-Executive Directors.

The company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees. Other than this the Nomination and remuneration Committee has also formulated a policy named "REMUNERATION CRITERIA FOR NON EXECUTIVE DIRECTORS" regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the company www.vetoswitchgears.com in the 'Policies & Related documents' section in 'Corporate Governance'.

(c) Disclosures with respect to Remuneration:

(i) Detail of remuneration to all directors as per format in main report

Name of the Director	Category of the Director	Position Held in the Committee
Mr. Govind Ram Thawani	Non Executive Independent Director	Chairman
Mr. Mohan Sukhani	Non Executive Independent Director	Member
Mr. Narain Das Gurnani	Executive Director	Member

(ii) Service contracts, notice period, severance fees:

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the company with Executive Directors. No notice period or severance fee is payable to any Director.

(iii) Stock option details, if any.

On 23rd May 2018, the Company has allotted 7,87,855 Equity Shares to the eligible employee's, against the equivalent number of Stock Options, pursuant to exercise of Stock Options under Employee Stock Option Scheme 2015 ("ESOP SCHEME 2015")

Preferential issue

on May 31st, 2017 the company has been authorised to create, offer, issue and allot, by way of a preferential issue, from time to time and in one or more tranches, an aggregate of 45,00,000 (Forty Five Lacs) warrants convertible into equivalent number of equity shares of a face value of Rs. 10/- each of the Company ("Warrants")

5) General Body Meetings

(a) Annual General Meeting

The date and time of Annual General Meeting held during the last three years are as follows:

Sr. No.	Date of AGM	Location & Time	Whether any special resolution passed. If yes, how many.	Special resolution passed through postal ballot	Name of person, conducting postal ballot
1	September 29th , 2017	Mumbai, 12:00 P.M.	05	NA	NA
2	September 28th , 2016	Mumbai, 12:00 P.M.	02	NA	NA
3	August 26th , 2015	Mumbai, 1:00 P.M.	03	NA	NA

(b) Special Resolution passed last year through postal ballot – details of voting pattern and the procedure thereof :

During the year, no resolutions have been passed through postal ballot.

6. Other Disclosures:

I. Relationship between Directors :

Name of the Director	Relationship between the Directors
Mr. Akshay Kumar Gurnani	Brother of Ms. Jyoti Gurnani
Mr. Narain Das Gurnani	Uncle of Mr. Akshay Kumar Gurnani and Ms. Jyoti Gurnani
Ms. Jyoti Gurnani	Sister of Mr. Akshay Kumar Gurnani

II. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to Capital Markets, during the last three years:

During the last three years the Company had never received any notice for non- Compliance. No penalties, strictures were imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to Capital Markets.

III. Means of Communication

(a) Quarterly results: The Company publishes limited reviewed un-audited standalone financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

(b) Newspapers wherein results normally published: The quarterly/ half-yearly/ annual financial results are published in Business Standard in both English and Marathi Daily editions.

(c) Website, where displayed: The financial results and the official news releases are also placed on the Company's website www.vetoswitchgears.com in the 'Financial Information' section.

(d) Official news releases: Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the 'Investor Zone' section under relevant sections.

(e) Presentations made to institutional investors or to the analysts: Whenever the Company holds analysts calls, to apprise and make public the information relating to the Company's working and future outlook. The Transcripts are available on Company's website www.vetoswitchgears.com in the 'news and other' section.

IV. SEBI Complaints Redress System (SCORES)

Company has registered in SEBI Complaints Redress System (SCORES). This is managed by the Registrar and Share Transfer Agent, Bigshare Services Private Limited.

V. Whistle Blower Policy

The Company promotes ethical behavior and has put in place a mechanism for reporting illegal and unethical behavior. The Company has a Vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed under the supervision of Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee had report to the Committee.

VI. Policy on Prevention of Insider Trading

The Company has also formulated a Code of Conduct to Regulate, Monitor, Report Trading by Insiders to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information prevent misuse thereof and regulate the trading by Insiders. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the Code is available on the website of company under http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents under the head Code for SEBI (Prohibition of Insider Trading), Regulations, 2015 in the 'Corporate Governance' section.

Information to SEBI in case of violation of SEBI (Prohibition of insider trading) Regulations, 2015

In case it is observed by Veto Switchgears and Cables Limited that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI shall be informed by Veto Switchgears and Cables Limited.

Note: the above said Code was approved by the Board of Directors at their meeting held on 29th May, 2015 and shall become applicable w.e.f 29th May, 2015.

VII. Code of Conduct

The Board has laid down "Veto Switchgears and Cables Limited-Code of Conduct" (Code) for all the Board members and the Senior Management of the company and the Code is posted on the website of the company. Annual declaration regarding compliance with the Code is being obtained from every Senior Management personnel covered by this Code of Conduct. A declaration to this effect signed by the Managing Director if forming part of the Corporate Governance Report.

VIII. General Shareholders Information

1. Company Registration Details

The Company is registered in the State of Maharashtra, India.

The Corporate Identification Number (CIN) is **L31401MH2007PLC171844**

Registered Office

The registered office of the company is 506, 5th Floor Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058.

2. Annual General Meeting

Date	Day	Time	Venue
29/09/2018	Friday	12:00.P.M.	G-05, China 1, Bandra Kurla complex, Bandra East, Mumbai Maharashtra 400051

3. Financial Year: 1st April, 2017 to 31st March, 2018

4. Book Closure

The Book Closure date will be September 27th, 2018 to September 29th, 2018 (both days inclusive) for the purpose of Annual General Meeting.

5. Dividend

The Board of Directors at their Meeting held on May 28th, 2018, recommended dividend payout, subject to approval of the shareholders at the ensuing Annual General Meeting of Re. 2/- per share having face value of Rs. 10/- each aggregating to 20% of F.V. , for the financial year ended on 31st March 2018. The Dividend shall be paid to the members whose names appear on Company's Register of Members on September 26th , 2018 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on September 26th , 2018 furnished by NSDL and CDSL for this purpose. The dividend if declared at the Annual General Meeting shall be paid on or after October 3rd, 2018.

6. Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):

The equity shares of the Company are listed at:

The National Stock Exchange of India Limited (NSE),

Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051

Symbol: VETO

ISIN Code: INE918N01018

BSE Limited (BSE),

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

Scrip Code: 539331

7. Tentative Calendar for Financial Year ending March 31st, 2019

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

S.No.	Particulars of Quarter	Tentative dates
1.	First Quarter Results	In or before the Second week of August 2018.
2.	Second Quarter & Half Yearly Results	In or before the Second week of November 2018.
3.	Third Quarter & Nine months Results	In or before the Second week of February 2019.
4.	Fourth Quarter & Annual Results	In or before the Fourth week of May 2019.

8. Payment of Listing Fees

The Company has paid listing fees in respect of financial year 2017-2018 to BSE Limited and National Stock Exchange of India Limited.

9. Payment of Depository Fees

The Company has paid Annual Custodian fees in respect of financial year 2017-2018 to NSDL and CDSL on receipt of the invoice.

10. Registrar and Transfer Agent

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis,Makwana Road,

Marol, Andheri East, Mumbai 400059,

Maharashtra. Tel.: +91 22 404 30 200

Facsimile: +91 22 2847 5207

Email: ashok@bigshareonline.com

Website: www.bigshareonline.com

11. Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form.

In case of shares held in physical form, the transferred share certificates duly endorsed are dispatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. In compliance of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him/her.

In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

Dematerialization of Shares

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. The status as on 31st March, 2018 is as under:

Mode	No. of Shares	% (Percentage)
Shares in Demat mode with NSDL	6479986	35.35
Shares in Demat mode with CDSL	11847109	64.64
Shares in Physical mode	5	0.01
Total	**18327100**	**100**

12. Market price data - high, low during each month in last financial year:

Monthly high & low prices and volumes of the equity shares of the Company at the National Stock Exchange of India Limited (Nifty) and BSE Limited (Sensex) during financial year 2017-18 are as under:

Month	Price at BSE				Price at NSE		
	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades	High (Rs.)	Low (Rs.)	Total Traded Quantity
April, 2017	182	152	6,16,204	8,827	182	151.55	2023682
May, 2017	178.95	150.5	5,98,475	7,590	179	152	1541199
June, 2017	195	164.55	21,28,768	21,656	196	166	7358630
July, 2017	237	180.1	35,95,812	38,345	228	179	13317885
August, 2017	234	194	6,53,335	10,431	236	194	2353804
September, 2017	224.4	195.6	7,30,858	8,367	225	199	2949869
October, 2017	222.85	199	4,20,325	5,858	223	195	1882198
November, 2017	231	201.6	11,67,946	14,388	231	201	4020754
December, 2017	265	210.35	21,25,055	28,186	266	210	7682940
January, 2018	260.15	216.1	7,12,059	8,444	261	215	2618656
February, 2018	233.7	185.55	5,45,926	8,443	234	186	2364687
March, 2018	224.85	180	3,59,197	4,605	225	179	1398975

Performance of the Company's Share price in comparison to BSE Sensex:

Month	BSE closing	NSE Closing	Sensex Volume (No. of Shares)
April, 2017	172.25	172.25	11,09,637
May, 2017	167.75	167.8	24,13,456
June, 2017	178.55	178.3	13,91,971
July, 2017	223.55	224.25	19,17,223
August, 2017	212.95	212.25	14,81,262
September, 2017	201.1	200.9	16,62,084
October, 2017	206.5	206.55	23,57,650
November, 2017	220.15	220.4	19,79,618
December, 2017	251.65	251.6	14,05,001
January, 2018	218.35	217.8	2,53,12,181
February, 2018	220.8	220.05	14,74,940
March, 2018	182.05	182.55	10,13,054

Source: BSE, NSE.

13. Distribution of Shareholding and Shareholding Pattern as on March 31, 2018:

CATEGORY WISE SUMMARY

CATEGORY	Total Shareholders	% Of Shareholders	Total	%
CLEARING MEMBER	150	1.2715	424507	2.32
CORPORATE BODIES	255	2.1616	941803	5.14
CORPORATE BODIES (PROMOTER CO)	1	0.0085	7130704	38.91
CORPORATE BODY NBFC	2	0.0170	235900	1.29
FINANCIAL INSTITUTIONS	1	0.0085	12584	0.70
FOREIGN PORTFOLIO INVESTOR	6	0.0509	1260409	6.88
NATIONALISED BANKS	1	0.0085	800	0.004
NON NATIONALISED BANKS	1	0.0085	37702	0.21
NON RESIDENT INDIANS	412	3.4924	528905	2.89
PROMOTERS	8	0.0678	1288170	7.03
PUBLIC	10959	92.8965	6404616	34.15
TRUSTS	1	0.0085	61000	0.33
TOTAL	**11797**		**18327100**	**100.00**

List of 1.00 % & Above Share Holders

Category FolioNo / ClientID	FolioNo / ClientID	Shareholder's Name	Shares	Percentage
CORPORATE BODIES (PROMOTER CO)	1201770100771220	VETO ELECTROPOWERS (INDIA) PRIVATE LTD	7130704	38.9080
FOREIGN PORTFOLIO INVESTOR	IN30317320024091	SENNA PENDULA	777000	4.2396
PROMOTERS	1201770100800979	HARISH KUMAR GURNANI	733333	4.0014
PUBLIC	1203500001446426	JAYANTI DAHYABHAI PATEL	250000	1.3641
PUBLIC	IN30115120216669	BRAHMAL VASUDEVAN	244073	1.3318
FOREIGN PORTFOLIO INVESTOR	IN30134820011233	ELARA INDIA OPPORTUNITIES FUND LIMITED	235000	1.2823
CORPORATE BODY NBFC	1203660000208280	MAVERICK FINANCIAL SERVICES PRIVATE LI	228000	1.2441
PROMOTERS	1203460000444189	KISHORE KUMAR GURNANI	204014	1.1132
TOTAL			**9802124**	**53.4843**

DISTRIBUTION OF SHAREHOLDING (IN RUPEES)

SHAREHOLDING OF NOMINAL Rs. – Rs.		NUMBER Of SHAREHOLDERS	PERCENTAGE	SHARE AMOUNT RS.	PERCENTAGE OF TOTAL
1	5000	6173	81.0637	8770270	4.7854
5001	10000	659	8.654	5440380	2.9685
10001	20000	291	3.8214	4462060	2.4347
20001	30000	131	1.7203	3380570	1.8446
30001	40000	120	1.5758	4148140	2.2634
40001	50000	59	0.7748	2800970	1.5283
50001	100000	95	1.2475	7169060	3.9117
100001	99999999999	87	1.1425	147099550	80.2634
Total		**7615**		**183271000**	**100**

ii. Category of shareholders

Sr. No.	Category of Shareholder	Total Holders	No. of shares	% of shareholding
1.	**Promoter and Promoter Group**	**9**	**8418874**	**45.94**
2.	**Individuals**	8	1288170	7.03
3.	**Bodies Corporate**	1	7130704	38.91
4.	**Public**	11539	9908226	54.06
	Total	**11548**	**18327100**	**100**

iii. Share Holding pattern

S.NO.	Name	Shares	Percentage of shareholding
I	**Promoter Group**		
A	**Individual**	**1288170**	**7.03**
1	Kishore Kumar Gurnani	204014	1.11
2	Harish Kumar Gurnani	733333	4
3	Pushpa Devi Gurnani	2200	0.01
4	Narain Das Gurnani	13200	0.07
5	Mukesh Gurnani	6600	0.04
6	Akshay Kumar Gurnani	108867	0.59
7	Rohit Kishore Gurnani	109978	0.6
8	Kanishaka Kishore Gurnani	109978	0.6
B	**Body Corporate**	**7130704**	**38.91**
1	Veto Electropowers (India) Private Limited	7130704	38.91
II	**Public**	**9908226**	**54.06**
III	**Non Promoter-Non Public**	**0**	**0**
IV	**Shares underlying DRs**	**0**	**0**
V	**Shares held by Employee Trusts**	**0**	**0**
	TOTAL	**18327100**	**100**

***No shares were allotted to non-executive directors of the Company.**

14. ADDRESS FOR CORESPONDENCE:

- **Website : www.vetoswitchgears.com**
- **Any query on Annual Report or Investors' Grievance Redressal:**

E-mail: info@vetoswitchgears.com, cs@vetoswitchgears.com

Add: 230, Sindhi Colony, Raja Park, Jaipur 302004

Phone: 0141-4100410, 4100416

- **For shares held in Demat form:**

Bigshare Services Pvt. Ltd.; 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Maharashtra. Tel.: +91 22-6263 8200; Email: ashok@bigshareonline.com; Website: www.bigshareonline.com

15. Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company:

During the financial year 2017-18, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with AS–18 are given in Notes to Accounts of the Annual Report.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

(c) Details of establishment of vigil mechanism whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is available on the website of the Company http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents under the head Whistle blower policy. No person has been denied access to the Audit Committee for any grievance.

(d) Details of compliance with mandatory requirements and adoption of the non mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Policies & Related Documents' in the 'Corporate Governance' section and can be accessed at http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents

(f) Web link where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the website of the Company under 'Code & Policies' in the 'Corporate Governance' section and can be accessed at http://www.vetoswitchgears.com/investor/corporate-governance/policies-and-related-documents

16. Disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub Regulation (2) of Regulation 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

for and on behalf of the Board of Directors

	Sd/-	**Sd/-**
Date : 07/09/2018	**Akshay Kumar Gurnani**	**Narain Das Gurnani**
	Managing Director & CEO	**Whole-time Director & CFO**
Place : Jaipur	**DIN: 06888193**	**DIN: 01970599**

Annexure IV

Annual Report on Corporate Social Responsibilities (CSR) activities for the financial year 2017-2018

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	Refer : Annexure IV Corporate Governance Report
2. Composition of CSR Committee	Refer : Annexure IV Corporate Governance Report
3. Average net profit of the Company for last three financial years	**1167.38 Lacs**
4. Prescribed CSR Expenditure i. two percent of the amount mentioned in item 3 above) : **2334766.60** ii. Amount unspent carried forward from last Financial year : Nil	**23.34 Lacs**
5. Details of CSR spent during the Financial year :	
Total amount spent for the financial year	13.31
Amount unspent, if any	10.04
Manner in which the amount spent during the financial year	Given Below

Details of Amount spent on CSR Activities during the financial year 2017-2018:

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
S. No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Projects or Programs (1) Local Area or other (2) Specify the state and District where Projects or Programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: (1)Direct Expenditure on projects or programs (2) Overheads:**	**Cumulative expenditure upto the reporting period.**	**Amount spent:**
1	**Rural Development/ Weaker Section**	**Vidhwa Women Help**	**Rajasthan**	**Rs. 1400859.96 (i.e 60% of Projected Yearly Expenditure)**	**25200**	**144050**	**Direct**
		Medical Relief	**Jaipur**		**-**	**31000**	**Direct**
		Education to Weaker ff Sta children expense	**Jaipur**		**89400**	**183570**	**Direct**

		Charity & Donations	**Jaipur and other parts of Rajasthan**		**1216032**	**1570492**	**Direct**
		Other (Including Natural Calamities)	**-**		**-**	**1478188**	**Direct and through Implementing Agency**
	Total				**1330632**	**3407300**	
2	**Animal Protection**	**Cow Expenses**	**Gaushala , Jaipur**	**Rs. 466953 (i.e.20% of Projected Yearly Expenditure)**	**0**	**1060957**	**Direct**
	Water Facility to needed People	**Water Tanks**	**Jaipur**	**Rs. 466953 (i.e.20% of Projected Yearly Expenditure)**	**0**	**1091480**	**Direct**

The implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company

Date : 07/09/2018

Place : Jaipur

Sd/-
Akshay Kumar Gurnani
(Managing Director)
DIN: 06888193

Sd/-
Govind Ram Thawani
(Chairman, CSR Committee)
DIN: 06367093

NISHA AGARWAL
Company Secretary

30/24/08 VARUN PATH
MANSAROVAR, JAIPUR-20
Ph.: + 91- 9950933137

Annexure V

Secretarial Audit Report

For the Financial Year 2017-18:

[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

VETO SWITCHGEARS AND CABLES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VETO SWITCHGEARS AND CABLES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 ended on **31.03.2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VETO SWITCHGEARS AND CABLES LIMITED ("The Company")** for the period ended on 31.03.2018 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 of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
   - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')** 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; and

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

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

h. The Memorandum and Articles of Association.

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

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

ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs 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 10th 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;

q. investment of the Company's funds including investments and loans to others;

r. 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 VI to the Act;

s. Directors' report; and

t. contracts, common seal, registered office and publication of name of the Company;

3. 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 exists 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.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. 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.

5. 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.

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

7. I further report that:

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

8. I further report that based on the report of the internal auditor of the Company dtd. 28.05.2018, the statutory audit report by M/s. SGCO & Co. dtd. 28.05.2018 and the information received and records maintained, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and compliance with applicable laws, rules, regulations and guidelines.

Place: Jaipur
Date: August 30th, 2018

Sd/-
Nisha Agarwal
Practicing Company Secretary
FCS: 8345 ~ C. P. No.:8584

Annexure-VI

Affirmation by Chairman

Declaration for Compliance with Code of Conduct

To,
The Board of Directors,
Veto Switchgears and Cables Limited,
506, 5th Floor, Plot No-B-9,
Landmark Building, New Link Road,
Andheri (West), Mumbai

I Akshay Kumar Gurnani, Chairman of the Company do hereby affirm that all directors and senior managers of the Company have complied with the Code of Conduct for Board Members and Senior Managers of our Company during the financial year end on 31st March, 2018.

Sd/-
Akshay Kumar Gurnani
DIN: 06888193
Chairman of the Board

Place: Mumbai
Date: March 31st, 2018

Annexure VII

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Veto Switchgears and Cables Limited

I have examined the compliance of conditions of Corporate Governance by Veto Switchgears and Cables Limited for the year ended 31st March, 2018 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievance Committee.

I further state 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.

Nisha Agarwal
Company Secretary in Practice
M.No. FCS: 8345, C.P. No. 8584

Place: Jaipur
Date: August 30th 2018

Annexure VIII

Compliance Certificate

To,

The Board of Directors

Veto switchgears and Cables Limited

This Certificate has been certified by the undersigned for compliance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2018 and that to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2017-2018 which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and

Sd/-	**Sd/-**
Akshay Kumar Gurnani	**Narain Das Gurnani**
Managing Director	**Chief Financial Officer**
DIN: 06888193	**DIN 06888193**
Pan : AYOPG9890J	**Pan: AERPG5958A**

Place: Jaipur
Date: May 28th, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of

Veto Switchgears and Cables Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Veto Switchgears and Cables Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the change in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the consolidated Ind AS Financial statement").

Management's Responsibility for the consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 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 (state of affairs) consolidated financial position, consolidated profit or loss (financial performance including other comprehensive income), consolidated cash flows and consolidated changes in 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, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding 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 auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group as at 31st March 2018, its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Other Matters

1. We did not audit the financial statements whose financial statements reflect total assets of Rs. 2173.03 Lakh as at 31st March, 2018, total revenues of Rs. 12,984.36 Lakh for the year ended on that date, total cash flow of Rs. 1.64 lakhs, as considered in the consolidated financial statements. These financial statements have been audited / reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
2. The Financials Statements of the Company for the year ended 31st March 2017, were audited by SGCO & Co. LLP who expressed an unmodified opinion on those statements.
3. The comparative financial Information of the company for the year ended 31st March 2017 and the transition date opening Balance Sheet as at 1st April 2016 included in these Ind AS Financial Statements ,are based on the statutory Financials Statements prepared in accordance with the companies (Accounting Standard), Rules, 2006 audited by SGCO & Co. LLP whose report for the year ended 31st March 2017 and 31st March 2016 dated 30th May 2017 and 30th May 2016 respectively expressed an

unmodified opinion on those Financial Statements, as adopted for the differences in accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

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

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

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

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, 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 our separate report in Annexure A"; and

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 32 to the consolidated financial statements.

ii. The Group entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

iv. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

For K.M. Tulsian & Associates
Chartered Accountants
Firm's Reg. No. 111075W

Nitesh Musahib
Partner
Mem. No. 131146

Place : Mumbai
Date : 28th May, 2018

Annexure "A" to the Independent Auditor's Report of even date on the Consolidated Ind AS financial statements of Veto Switchgears and Cables Limited for the year ended 31st March 2018.

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

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For K.M. Tulsian & Associates
Chartered Accountants
Firm's Reg. No. 111075W

Nitesh Musahib
Partner
Mem. No. 131146

Place: Mumbai
Date: 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Consolidated Balance Sheet as at 31 March 2018

Amount in ₹

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3A	228,469,303	198,734,685	209,363,618
Capital work-in-progress	3B	73,225,597	77,671,218	28,611,323
Goodwill	3C	10,778	10,778	10,778
Other Intangible assets	3C	2,800	14,988	32,188
Financial assets				
Investments	4	149,000	149,000	149,000
Other financial assets	5	18,628,487	17,152,275	139,871,895
Deferred tax assets (net)	6	27,323,368	22,695,156	18,180,790
Other non-current assets	7	612,521	43,134,340	36,248,821
Total non-current assets		**348,421,853**	**359,562,440**	**432,468,412**
Current assets				
Inventories	8	446,330,393	390,969,843	351,262,181
Financial assets				
Investments	4	-	-	2,940,000
Trade receivables	9	1,065,468,400	560,152,167	412,331,118
Cash and cash equivalents	10	27,868,456	26,100,872	152,155,875
Other bank balances	11	3,483,744	71,804,894	1,862,637
Current tax assets (net)	12	-	7,483,509	10,185,565
Other current assets	7	124,581,489	38,688,018	64,259,631
Total current assets		**1,667,732,482**	**1,095,199,304**	**994,997,006**
TOTAL ASSETS		**2,016,154,335**	**1,454,761,745**	**1,427,465,418**
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	13A	183,271,000	183,271,000	183,271,000
Other equity	13B	1,301,172,014	831,257,942	663,199,740
Equity attributable to Owners		**1,484,443,014**	**1,014,528,942**	**846,470,740**
Non Controlling interest		-	-	-
Total equity		**1,484,443,014**	**1,014,528,942**	**846,470,740**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	14	32,510,184	53,293,681	60,153,521
Total non-current liabilities		**32,510,184**	**53,293,681**	**60,153,521**
Current liabilities				
Financial liabilities				
Borrowings	14	321,423,158	233,559,607	340,143,272
Trade payables	15	76,543,760	86,476,776	106,416,617
Other financial liabilities	16	43,325,535	58,193,971	58,541,972
Other current liabilities	17	3,495,461	3,038,227	15,739,296
Income tax liabilities (net)	18	52,534,185	4,875,407	-
Provisions	19	1,879,038	795,134	-
Total current liabilities		**499,201,137**	**386,939,122**	**520,841,157**
TOTAL EQUITY AND LIABILITIES		**2,016,154,335**	**1,454,761,745**	**1,427,465,418**

Notes 1 to 43 form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our audit report of even date

For K.M.Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

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

Amount in ₹

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	19	2,536,442,633	2,390,750,869
Other income	20	19,834,486	16,464,538
Total income		**2,556,277,120**	**2,407,215,407**
Expenses			
Cost of materials consumed	21	512,589,650	444,443,517
Purchases of stock-in-trade	22	1,457,156,105	1,479,096,297
Changes in inventories of finished goods and stock in trade	23	(70,590,306)	(27,327,528)
Excise Duty Expenses		5,571,894	-
Employee benefits expense	24	90,108,181	122,253,118
Finance costs	25	27,564,035	41,237,799
Depreciation and amortisation expense	26	15,817,074	16,644,051
Other expenses	27	128,837,767	117,738,048
Total expenses		**2,167,054,400**	**2,194,085,302**
Profit/ (loss) before exceptional items and tax		**389,222,720**	**213,130,105**
Exceptional items		-	-
Profit / (Loss) before tax		**389,222,720**	**213,130,105**
Tax expense/ (credit)			
Current income tax		104,576,240	34,247,056
Taxation for earlier years		373,336	408
Deferred tax		(5,434,469)	(4,363,416)
		99,515,108	**29,884,047**
Profit/ (loss) for the year (A)		**289,707,612**	**183,246,058**
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Re-measurement gains / (losses) on defined benefits plans		2,329,683	(456,179)
- Income tax effect on above		(806,257)	150,950
Other comprehensive income for the year, net of tax (B)		**1,523,426**	**(305,229)**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**291,231,038**	**182,940,829**
Earnings per share (EPS)	28		
(per equity share of nominal value Rs. 10 each)			
Basic EPS (in Rs.)		**15.81**	**10.00**
Diluted EPS (in Rs.)		**15.30**	**9.77**

Notes 1 to 43 form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our audit report of even date

For K.M.Tulsiyan & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

A) Equity share capital

Particulars	Number	Amount in
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 1 April 2016	**18,327,100**	**183,271,000**
Issue of equity shares	-	-
As at 31 March 2017	**18,327,100**	**183,271,000**
Issue of equity shares	-	-
As at 31 March 2018	**18,327,100**	**183,271,000**

B) Other equity

Amount in ₹

Particulars	Reserves and surplus					Other comprehensive income	Money Received against Share Warrants	Total equity attributable to equity holders
	Securities premium reserve	Statutory Reserve	Employee Stock Option Outstanding Account	Retained earnings	Foreign Currency Translation Reserve	Re-measurement gains / (losses) on defined benefits plans		
As at 1 April 2016	**159,471,817**	**-**	**-**	**508,180,160**	**(4,452,237)**	-	-	**663,199,740**
Profit/(Loss) for the year (a)	-	-	-	183,246,058	-	-	-	183,246,058
Other comprehensive income (b)	-	-	-	-	-	(305,229)	-	(305,229)
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**183,246,058**	**-**	**(305,229)**	**-**	**182,940,829**
Addition during the year	-	8,391,249	45,256,260	-	(5,263,543)	-	-	48,383,966
Less : Appropriations :								-
Interim Dividend	-	-	-	18,327,100	-	-	-	18,327,100
Dividend Distribution Tax	-	-	-	9,057,594	-	-	-	9,057,594
Statutory Reserves	-	-	-	8,391,249	-	-	-	8,391,249
Proposed Dividend	-	-	-	27,490,650	-	-	-	27,490,650
As at 31 March 2017	**159,471,817**	**8,391,249**	**45,256,260**	**628,159,625**	**(9,715,780)**	**(305,229)**	**-**	**831,257,942**
Profit/(Loss) for the year (a)	-	-	-	289,707,612	-	-		289,707,612
Other comprehensive income (b)	-	-	-	-	-	1,523,426	-	1,523,426
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**289,707,612**	**-**	**1,523,426**	**-**	**291,231,038**
Addition during the year	-	437,013	5,941,225	-	3,528,560	-	191,250,000	201,156,798
Less : Appropriations :								
Final Dividend	-	-	-	18,327,100	-	-	-	18,327,100
Dividend Distribution Tax	-	-	-	3,709,651	-	-	-	3,709,651
Statutory Reserves	-	-	-	437,014	-	-	-	437,014
As at 31 March 2018	**159,471,817**	**8,828,262**	**51,197,485**	**895,393,472**	**(6,187,220)**	**1,218,197**	**191,250,000**	**1,301,172,014**

This is the Statement of Changes in Equity referred to in our audit report of even date

For K.M.Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board of Directors

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Consolidated Cash Flow Statement for the year ended 31 March 2018

Amount in ₹

Particulars	Year ended 31 March 2018		Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net (loss) / profit before tax	**389,222,720**		**213,130,105**
Adjustments for			
Depreciation and amortisation expense	15,817,074		16,644,051
Diminution / (Reversal) in value of current investments	-		(2,310,000)
Finance costs	27,564,035		41,237,799
Interest income	(11,792,837)		(9,373,141)
Subsidy received	-	(2,730,609)	(2,730,609)
Provision for doubtful debts	-		6,384,798
Provision for expected credit loss on trade receivables	5,507,057		329,525
Provision for expenses of Employee Stock Option Plan	5,941,225		45,256,260
Profit on sale of current investments	-		(394,309)
Sundry balances written off	-		79,516
Remeasurement of defined benefit plans as per actuarial valuation	2,329,683		(456,179)
Profit on sale of property, plant and equipment (net)	(426,033)		(12,620)
Operating profit before working capital changes	**434,162,924**		**307,785,196**
Adjustments for changes in working capital:			
Decrease / (increase) in trade receivables	(510,823,290)		(154,535,372)
Decrease / (increase) in inventories	(55,360,550)		(39,707,662)
Decrease / (increase) in other financial assets	(1,476,212)		122,719,620
Decrease / (increase) in other non current assets	42,521,819		(6,885,519)
Decrease / (increase) in other current assets	(85,893,471)		25,571,613
(Decrease) / Increase in provisions	1,083,904		795,134
(Decrease) / Increase in trade and other payables	(9,933,016)		(19,939,841)
(Decrease) / Increase in other financial liabilities	(15,376,895)		(348,002)
(Decrease) / Increase in other current liabilities	457,233		(12,701,069)
Cash generated from / (used in) operations	**(200,637,553)**		**222,754,098**
Direct taxes paid (net of refunds received)	(49,807,289)		(26,670,001)
Exceptional items			
Net cash (used in) / from generated from operating activities	**(250,444,842)**		**196,084,097**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (including capital work in progress)	(40,667,849)		(55,124,709)
Proceeds from sale of non-current investments	-		5,644,309
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	68,321,150		(69,942,257)
Interest received	11,792,837		9,373,141
Net cash (used in) / generated from investing activities	**39,446,138**		**(110,049,517)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings (net)	(20,275,037)		(6,859,840)
Proceeds from short-term borrowings (net)	87,863,551		(106,583,665)
Proceeds from Capital Grant Received	-		2,730,609
Proceeds from Share application warrant Money	191,250,000		-
Dividend Paid (including dividend distribution tax)	(22,036,751)		(54,875,344)
Interest paid	(27,564,035)		(41,237,799)
Net cash (used in) / from financing activities	**209,237,728**		**(206,826,039)**
Net decrease in cash and cash equivalents (A+B+C)	**(1,760,976)**		**(120,791,459)**
Foreign Currency Translation Reserve	3,528,560	(305,229)	(5,263,543)
Cash and cash equivalents at the beginning of the year	26,100,872		152,155,875
Cash and cash equivalents at the end of the year	**27,868,455**		**26,100,872**
Components of cash and cash equivalents considered only for the purpose of cash flow statement			
In bank current accounts in Indian rupees	26,317,322		25,648,782
Cash on hand	1,551,134		452,091
	27,868,456		**26,100,872**

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Consolidated Cash Flow Statement for the year ended 31 March 2018

Amount in ₹

Amendment to Ind AS 7

The amendment to Ind AS 7 cash flow statement requires the entities to provide disclosures that enable users of financial statement to evaluate changes in liabilities arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balance in the balance sheet for the liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and required disclosure is made below. there is no other impact on the financial statements due to this amendment.

Amount in

Particulars	As at 31 March 2017	Cash Flow	Fair Value Change	Current / non-current Classification	As at 31 March 2018
Borrowing Non-Current	53,293,681	(20,275,037)	-	(508,460)	32,510,184
Other Financial Liabilities	58,193,971	(15,376,895)	-	508,460	43,325,535
Borrowing - Current	233,559,607	87,863,551	-	-	321,423,158

Notes 1 to 43 form an integral part of the consolidated financial statements

This is the Cash Flow Statement referred to in our audit report of even date

-
-
-

For and on behalf of the Board of Directors

Nitesh Musahib
Partner
Membership No. : 131146

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Mumbai
Date : 28th May, 2018

Place: Mumbai
Date : 28th May, 2018

Veto Switchgears And Cables Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 1 : Corporate Information

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Compay has its manufacturing unit at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans.

The Company along with its subsidiaries its associates and its joint venture has been collectively hereinafter referred to as "the Group".

Note 2.1 : Significant Accounting Policies

i) Basis of Preparation of Consolidated Financial Statements

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 read together with the company (Indian Accounting standards) rules,2015 (as ammended).

The financial statements for all periods upto and including year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2018 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2.2 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting. All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteira set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Rupees, except when otherwise indicated.

ii) Principles of Consolidation

The financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110

'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013.

b) Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents negative goodwill arising on consolidation. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

c) Minority interest in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments as stated above. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual / legal obligation on the minorities, the same is accounted for by the Holding Company.

d) Financial statements are prepared using uniform policies for like transaction and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

e) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

f) The gains / losses in respect of part dilution of stake in subsidiary companies pursuant to issue of additional shares to minority shareholders are recognized directly in capital reserve under Reserves and surplus in the Balance Sheet. The gains / losses in respect of part divestment of stake in subsidiary companies pursuant to sale of shares by the Holding Company are recognized in the Statement of Profit and Loss.

iii) Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Receivables

The impairment provisions of financial receivalbles based on the assumptions about risk of default and expected loss rates.

iv) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost.

v) Intangible Assets

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

vi) Depreciation/ Amortisation

Depreciation/ amortisation is provided:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Property,Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property,Plant & Equipment in the manner as prescribed by Schedule II of the Act.

Leasehold improvements are written off over the noncancellable period of lease.

Goodwill & Trade marks has been amortized over a period of five years.

vii) Financial Instruments

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

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2016.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

viii) Inventories

Inventories are valued as follows:

a Finished Goods are valued at lower of cost or net realisable value*.

b Raw Materials are valued at lower of cost or net realisable value**.

c Packing Materials are valued at cost or net realizable value**.

d Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

ix) Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

x) Share - Based Compensation

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly,compensation expense as determined on the date of the grant is amortised over the vesting period.The Company follows fair value method to calculate the value of the stock options.

xi) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

xii) Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xiii) Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xiv) Revenue Recognition

a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

b Revenue in respect of export sales is recognised on shipment of products.

c Sales are recognised net of discounts, rebates and returns.

d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

e Dividend income is recognized when the company's right to receive dividend is established.fClaims for insurance are accounted on receipts/ on acceptance of claim by insurer.

xv) Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xvi) Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xvii)Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xviii) Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xvix) Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xx) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on

management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

xxi) Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

xxii) Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, the ministry of Corporate Affairs (the MCA) notified the Companies (Indian Acounting Standards Amendment Rules 2018 containing Appendix B to Ind AS 21 Foreign currency transactions and advance consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

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

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

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

iii) Group Companies included for Consolidation

a) List of subsidiaries included in consolidation based on audited financial statements and the parent company's shareholding are as under:

Name of the Subsidiary	Date of incorporation	Country of Incorporation	Immediate Parent Company	% Holding	
				31-Mar-18	31-Mar-17
1. Veto Overseas Private FZE	11-Oct-15	Dubai	Veto Switchgears And Cables Limited	100%	100%
2. Veto Electricals Private Limited	24-Mar-08	India			

Veto Switchgears and Cables Limited

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

NOTE 2.2 : FIRST TIME ADOPTION OF IND AS

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

The accounting policies set out in Note 2.1 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 as at April 1, 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 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 :

A) Exemptions and exceptions availed

1) Ind-AS optional exemptions :

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

a) Deemed cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the 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. This exemption can be also used for intangible assets covered by Ind-AS 38.

b) For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2) Ind AS mandatory exceptions :

a) Estimates

An entity 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 at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

b) Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly,the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

c) Classification of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively.Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

d) Impairment of financial assets

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

B) Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND AS

IV. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

Amount in ₹

Particulars	Foot notes	As at 31-Mar-17 (Previous GAAP)	IND AS Adjustments	As at 31-Mar-17 (IND AS)	As at 1-Apr-16 (Previous GAAP)	IND AS Adjustments	As at 1-Apr-16 (IND AS)
ASSETS							
Non-current assets							
Property, plant and equipment		198,734,685	-	198,734,685	209,363,618	-	209,363,618
Capital work-in-progress		77,671,218	-	77,671,218	28,611,323	-	28,611,323
Intangible assets		14,988	-	14,988	32,188	-	32,188
Goodwill on consolidation		10,778	-	10,778	10,778	-	10,778
Financial assets							
Investments		149,000	-	149,000	149,000	-	149,000
Other financial assets	1	41,632,489	(24,480,214)	17,152,275	139,871,895	-	139,871,895
Deferred tax assets (net)	4	10,871,518	11,823,638	22,695,156	8,226,582	9,954,208	18,180,790
Other non-current assets	1	19,544,866	23,589,474	43,134,340	36,248,821	-	36,248,821
Total non-current assets		**348,629,542**	**10,932,898**	**359,562,440**	**422,514,204**	**9,954,208**	**432,468,412**
Current assets							
Inventories		390,969,843	-	390,969,843	351,262,181	-	351,262,181
Financial assets							
Investments		-		-	2,940,000	-	2,940,000
Trade receivables	3	565,942,986	(5,790,819)	560,152,167	417,792,411	(5,461,294)	412,331,118
Cash and cash equivalents		26,100,872	-	26,100,872	152,155,875	-	152,155,875
Other bank balances		71,804,895	-	71,804,895	1,862,637	-	1,862,637
Income tax assets (net)		7,483,509	-	7,483,509	10,185,565	-	10,185,565
Other current assets		38,688,019	-	38,688,019	64,259,631	-	64,259,631
Total current assets		**1,100,990,124**	**(5,790,819)**	**1,095,199,305**	**1,000,458,300**	**(5,461,294)**	**994,997,006**
TOTAL ASSETS		**1,449,619,666**	**5,142,079**	**1,454,761,745**	**1,422,972,504**	**4,492,914**	**1,427,465,418**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

EQUITY AND LIABILITIES							
Equity							
Equity Share capital		183,271,000	-	183,271,000	183,271,000	-	183,271,000
Other equity		826,115,863	5,142,079	831,257,942	625,619,383	37,580,358	663,199,740
Equity attributable to Owners		**1,009,386,863**	**5,142,079**	**1,014,528,942**	**808,890,383**	**37,580,358**	**846,470,740**
Non Controlling interest		-			-		
Total equity		**1,009,386,863**	**5,142,079**	**1,014,528,942**	**808,890,383**	**37,580,358**	**846,470,740**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings		53,293,681	-	53,293,681	60,153,521	-	60,153,521
Total non-current liabilities		**53,293,681**	**-**	**53,293,681**	**60,153,521**	**-**	**60,153,521**
Current liabilities							
Financial liabilities							
Borrowings		233,559,607	-	233,559,607	340,143,272	-	340,143,272
Trade payables		86,476,776	-	86,476,776	106,416,617	-	106,416,617
Other financial liabilities		58,193,971	-	58,193,971	58,541,972	-	58,541,972
Other current liabilities	5	3,038,227	-	3,038,227	48,826,740	(33,087,444)	15,739,296
Provisions		795,134	-	795,134	-	-	-
Income tax liabilities (net)		4,875,407	-	4,875,407	-	-	-
Total current liabilities		**386,939,122**	**-**	**386,939,122**	**553,928,601**	**(33,087,444)**	**520,841,157**
TOTAL EQUITY AND LIABILITIES		**1,449,619,666**	**5,142,079**	**1,454,761,745**	**1,422,972,504**	**4,492,914**	**1,427,465,418**

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Amount in ₹

Particulars	**Footnotes**	**For the period ended March 31,2017**		
		(Previous GAAP)	**IND AS Adjustment**	**(IND AS)**
Income				
Revenue from operations		2,390,750,869	-	2,390,750,869
Other income	1	7,318,035	9,146,503	16,464,538
Total income		**2,398,068,904**	**9,146,503**	**2,407,215,407**
Expenses				
Cost of materials consumed		444,443,517	-	444,443,517
Purchases of stock-in-trade		1,479,096,297	-	1,479,096,297
Changes in inventories of finished goods and stock in trade		(27,327,528)	-	(27,327,528)
Employee benefits expense	2	122,709,297	(456,179)	122,253,118
Finance costs		41,237,799	-	41,237,799
Depreciation and amortisation expense		16,644,051	-	16,644,051
Other expenses	1 & 3	107,371,280	10,366,768	117,738,048
Total expenses		**2,184,174,713**	**9,910,589**	**2,194,085,302**
Profit/ (loss) before tax		**213,894,191**	**(764,086)**	**213,130,105**
Tax expense/ (credit)				
Current income tax		34,247,056	-	34,247,056
Tax adjustment for earlier years		408	-	408
Deferred income tax		(2,644,936)	(1,718,480)	(4,363,416)
Total tax expenses		**31,602,528**	**(1,718,480)**	**29,884,047**
Profit for the year		**182,291,664**	**954,394**	**183,246,058**
Other Comprehensive Income				
Items not to be reclassified subsequently to profit or loss				
- Gain / (Loss) on fair value of defined benefit plans as per actuarial valuation	2	-	(456,179)	(456,179)
- Income tax effect on above	2	-	150,950	150,950
Other Comprehensive Income for the Year,Net of tax		**-**	**(305,229)**	**(305,229)**
Total Comprehensive Income for the year		**182,291,664**	**649,165**	**182,940,829**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND AS

Amount in ₹

Particulars	Footnotes	For the year ended 31-Mar-17
Net Profit after Tax for the Period (as per Indian GAAP)		**182,291,664**
Rent expense on amortisation of security deposits	1	(10,037,243)
Interest income on amortisation of security deposits	1	9,146,503
Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income.	2	456,179
Provision for Expected Credit Loss on trade receivables	3	(329,525)
Deferred Tax impact of above adjustments	4	(51,796)
Impact of deferred tax due to indexed cost of acquisition of land	4	1,770,276
Net profit as per Ind-AS		**183,246,058**
Other comprehensive Income.		
Actuarial loss on Defined Benefit plans (net of tax).	2	(305,229)
Total Comprehensive Income as per Ind AS		**182,940,829**

IV. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

Amount in ₹

Particulars	Footnotes	As at 31-Mar-17	As at 1-Apr-16
Equity as per Previous GAAP		**1,009,386,863**	**808,890,383**
Add/(Less) :			
Rent expense on amortisation of security deposits	1	(10,037,243)	-
Interest income on amortisation of security deposits	1	9,146,503	-
Provision for Expected Credit Loss on trade receivables	3	(5,790,819)	(3,817,991)
Deferred Tax on above adjustment	4	1,742,457	-
Impact of deferred tax due to indexed cost of acquisition of leasehold land	4	10,081,181	8,310,904
Proposed dividend	5	-	27,490,650
Dividend Distribution Tax on above		-	5,596,794
Equity as per IND AS		**1,014,528,942**	**846,470,740**

Footnotes to the reconciliation of equity as at April 1, 2016 & March 31, 2017 and Statement of profit and loss for the year ended March 31, 2017

1) Security Deposit

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be initially recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid rent.

2) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI.

3) Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of receivables which consists only in respect of specific amount for probable losses. Under Ind AS, impairment allowance has been determined basedon Expected Credit Loss (ECL) model.

4) Deferred Tax (Including MAT Credit)Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. This has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences.Deferred tax adjustments are recognised in correlation to the underlying transaction either in other equity or a separate component of equity.

Under Previous GAAP, MAT credit was disclosed under non-current assets. In accordance with Ind AS 12, deferred tax asset shall include any carry forward unused tax credits. Hence, MAT credit entitlement has been included in deferred tax asset.

Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will be recovered through sale and the indexation benefit at the time of disposal will be available, accordingly deferred tax asset on the difference between carrying value and indexed value has been created.

5) Proposed Dividend

Under the previous GAAP, proposed dividend including corporate dividend tax (CDT), are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared by the Company, usually when approved by the shareholders in a general meeting, or paid.

6) Other Comprehensive Income

Under Indian GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

7) Statement of Cash Flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

3 Property, plant and equipment
A Tangible assets

Amount in ₹

Particulars	Leasehold Land	Freehold Land	Factory Building	Leasehold Improvement	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying value (at deemed cost)										
Balance as at 1 April 2016	**118,621,732**	**19,672,218**	**38,680,805**	**4,646,066**	**84,742,101**	**3,179,162**	**10,890,236**	**2,324,443**	**25,222,539**	**307,979,302**
Additions	-	-	-	-	5,814,395	-	112,053	8,850	63,000	5,998,298
Disposals / Deletions	-	-	-	-	-	-	-	-	(43,914)	(43,914)
Balance as at 31 March 2017	**118,621,732**	**19,672,218**	**38,680,805**	**4,646,066**	**90,556,496**	**3,179,162**	**11,002,289**	**2,333,293**	**25,241,625**	**313,933,685**
Additions	-	-	19,200,570	-	20,800,000	19,390	965,910	-	4,732,601	45,718,471
Disposals / Deletions	-	-	-	-	-	-	-	-	(1,534,698)	(1,534,698)
Balance as at 31 March 2018	**118,621,732**	**19,672,218**	**57,881,375**	**4,646,066**	**111,356,496**	**3,198,552**	**11,968,199**	**2,333,293**	**28,439,528**	**358,117,458**
Accumulated depreciation										
Balance as at 1 April 2016	**1,026,294**	**-**	**19,281,562**	**1,579,441**	**50,041,780**	**2,330,045**	**6,166,011**	**1,956,164**	**16,234,386**	**98,615,684**
Depreciation charge	130,523	-	2,112,469	1,512,007	7,878,798	385,256	1,322,872	229,209	3,055,717	16,626,851
Deletions / Adjustments	-	-	-	-	-	-	-	-	(43,534)	(43,534)
Balance as at 31 March 2017	**1,156,817**	**-**	**21,394,031**	**3,091,448**	**57,920,578**	**2,715,301**	**7,488,883**	**2,185,373**	**19,246,569**	**115,199,001**
Depreciation charge	130,523	-	2,322,806	1,221,510	7,860,317	208,111	1,124,678	74,965	2,861,975	15,804,886
Deletions / Adjustments	-	-	-	-	-	-	-	-	(1,355,731)	(1,355,731)
Balance as at 31 March 2018	**1,287,340**	**-**	**23,716,837**	**4,312,959**	**65,780,895**	**2,923,412**	**8,613,561**	**2,260,338**	**20,752,814**	**129,648,156**
										-
Net carrying value										-
Balance as at 1 April 2016	**117,595,438**	**19,672,218**	**19,399,242**	**3,066,625**	**34,700,321**	**849,117**	**4,724,225**	**368,279**	**8,988,153**	**209,363,618**
Balance as at 31 March 2017	**117,464,915**	**19,672,218**	**17,286,773**	**1,554,618**	**32,635,918**	**463,861**	**3,513,406**	**147,920**	**5,995,056**	**198,734,685**
Balance as at 31 March 2018	**117,334,392**	**19,672,218**	**34,164,537**	**333,107**	**45,575,601**	**275,140**	**3,354,638**	**72,955**	**7,686,714**	**228,469,303**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

B Capital work in progress

Amount in ₹

Particulars	SEZ Unit	Office Building at Airport Plaza *	Leasehold Improvement **	Plant & Machineary ***	Total
Gross carrying value (at deemed cost)					
Balance as at 1 April 2016	7,571,631	20,158,444	79,516	801,732	28,611,323
Additions	8,734,598	30,098,170	-	11,459,111	50,291,878
Transferest to Fixed Assets		-	(79,516)	(1,152,467)	(1,231,983)
Balance as at 31 March 2017	16,306,229	50,256,614	-	11,108,376	77,671,218
Additions	-	22,968,983	-	-	22,968,983
Transferest to Fixed Assets	(16,306,229)	-	-	(11,108,376)	(27,414,605)
Balance as at 31 March 2018	-	73,225,597	-	-	73,225,597
Accumulated amortisation					
Balance as at 1 April 2016	-	-	-	-	-
Amortisation charge	-	-	-	-	-
Balance as at 31 March 2017	-	-	-	-	-
Amortisation charge	-	-	-	-	-
Amortisation charge	-	-	-	-	-
Balance as at 31 March 2018	-	-	-	-	-
Net carrying value					
Balance as at 1 April 2016	7,571,631	20,158,444	79,516	801,732	28,611,323
Balance as at 31 March 2017	16,306,229	50,256,614	-	11,108,376	77,671,218
Balance as at 31 March 2018	-	73,225,597	-	-	73,225,597

* Addition represents Interest Capatilized of Rs. 2,213,467 (March 2017: Rs. 2,519,192).
** Deletion represents amount written off during the year ended March 2017.
*** Deletion represent Amount Capatilized during the year ended March 2017.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

C Intangible Assets

Amount in ₹

Particulars	Goodwill			Other Intangible Asset	
	Goodwill (on consolidation)	Goodwill (acquired separately)	Total	Trade Mark	Total
Gross carrying value (at deemed cost)					
Balance as at 1 April 2016	10,778	540,000	550,778	112,000	112,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2017	10,778	540,000	550,778	112,000	112,000
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at 31 March 2018	10,778	540,000	550,778	112,000	112,000
Accumulated amortisation					
Balance as at 1 April 2016	-	540,000	540,000	79,812	79,812
Amortisation charge	-	-	-	17,200	17,200
Impairment	-	-	-	-	-
Balance as at 31 March 2017	-	540,000	540,000	97,012	97,012
Amortisation charge	-	-	-	12,188	12,188
Impairment	-	-	-	-	-
Balance as at 31 March 2018	-	540,000	540,000	109,200	109,200
Net carrying value					
Balance as at 1 April 2016	10,778	-	10,778	32,188	32,188
Balance as at 31 March 2017	10,778	-	10,778	14,988	14,988
Balance as at 31 March 2018	10,778	-	10,778	2,800	2,800

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Amount in ₹

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Note 4 : Investments			
Non Current Investments			
I. Investments valued at deemed cost			
Investment in equity shares	149,000	149,000	149,000
Total non-current investments	**149,000**	**149,000**	**149,000**

Note 4.1 Detailed list of non-current investments

Particulars	As at31 March 2018		As at31 March 2017		As at1 April 2016	
	Nos	Amount in	Nos	Amount in	Nos	Amount in
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated						
Investments valued at fair value, fully paid up						
i) Veto Lightings Private Limited(face value of 10/- each, fully paid up)	5,100	51,000	5,100	51,000	5,100	51,000
ii) Vankon Switchgears and Cables Private Limited(face value of 10/- each, fully paid up)	9,800	98,000	9,800	98,000	9,800	98,000
Total non-current investments		**149,000**		**149,000**		**149,000**

Particular	As at 31 March 2018 Amount in	As at 31 March 2017 Amount in	As at 1 April 2016 Amount in
Aggregate of non-current investments:			
Book value of investments	149,000	149,000	149,000
Investments carried at deemed cost	149,000	149,000	149,000
Investments carried at fair value through profit and loss	-	-	-

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current Investments			
I. Investments carried at fair value through profit and loss			
Investment in equity shares			
i) In other companies	-	-	2,940,000
Total current investments	**-**	**-**	**2,940,000**

Particular	As at31 March 2018 Amount in	As at31 March 2017 Amount in	As at1 April 2016 Amount in
Aggregate of current investments:			
Book value of investments	-	-	5,449,110
Investments carried at deemed cost	-	-	
Investments carried at fair value through profit and loss	-	-	2,940,000

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 5 : Other financial assets

Amount in ₹

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current			
Deposits	11,011,340	7,004,167	131,829,196
Other non-current financial asset	7,512,624	8,158,597	6,928,181
Margin money deposits with original maturity of more than 12 months	104,523	1,989,511	1,114,518
Total non-current financial assets	**18,628,487**	**17,152,275**	**139,871,895**

Note 6 : Deferred tax assets (net)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred income tax asset			
Property, Plant and Equipments	8,682,604	16,653,275	13,974,598
Provision for doubtful financial assets	4,221,479	5,778,771	4,343,473
Provision for employee benefits	650,297	263,110	-
Deferred tax assets	**13,554,381**	**22,695,156**	**18,318,071**
Deferred income tax liabilities			
Provision for employee benefits	-	-	137,282
Deferred tax liabilities	**-**	**-**	**137,282**
Deferred tax assets (net)	**13,554,381**	**22,695,156**	**18,180,790**

Movement in Deferred Tax (Assets)/Liabilities

Particulars	Property, Plant and Equipment	Provision for doubtful financial assets	Provision for employee benefits	Total
At April 1, 2016	**13,974,598**	**4,343,473**	**(137,282)**	**18,180,790**
Charged / (credited)				
– to Statement of Profit and Loss	2,678,677	1,435,298	249,441	4,363,416
– to other comprehensive income	-	-	150,950	150,950
At March 31, 2017	**16,653,275**	**5,778,771**	**263,110**	**22,695,156**
Charged / (credited)				
– to Statement of Profit and Loss	(7,970,672)	(1,557,292)	1,193,444	(8,334,519)
– to other comprehensive income	-	-	(806,257)	(806,257)
At March 31, 2018	**8,682,604**	**4,221,479**	**650,297**	**13,554,381**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 7 : Other non-current assets

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non-current			
(Unsecured)			
Capital advances	612,521	19,544,866	36,248,821
Prepaid expenses	-	23,589,474	-
Total other non-current assets	**612,521**	**43,134,340**	**36,248,821**
Current			
(Unsecured)			
Advances to Suppilers			
- To related parties (Refer note 31)	40,624,129	-	-
- To others	30,198,654	30,742,996	56,511,621
Prepaid expenses	747,928	601,553	302,955
Advance recoverable other than in cash	43,642,423	7,343,469	7,445,055
Balance with Government Authorities	9,368,354	-	-
Total other current assets	**124,581,489**	**38,688,018**	**64,259,631**
Total other assets	**125,194,009**	**81,822,358**	**100,508,452**

Note 8 : Inventories

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Finished goods	120,664,341	73,010,719	72,223,139
Stock in trade	186,775,249	163,838,554	137,298,616
Raw materials	121,546,733	144,952,600	132,589,534
Packing materials	17,344,070	9,167,970	9,150,892
Total Inventories	**446,330,393**	**390,969,843**	**351,262,181**

Note 9 : Trade receivables
(Unsecured)

Particular	As at31 March 2018	As at31 March 2017	As at1 April 2016
Trade receivables			
- considered good	1,076,766,275	565,942,986	417,792,411
- considered doubtful	12,197,987	12,197,987	5,813,189
	1,088,964,262	**578,140,973**	**423,605,600**
Less: Provision for doubtful debts	(12,197,987)	(12,197,987)	(5,813,189)
Less: Provision for expected credit loss	(11,297,876)	(5,790,819)	(5,461,294)
Total trade receivables	**1,065,468,400**	**560,152,167**	**412,331,118**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 10 : Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017	As at1 April 2016
Balances with banks			
- Current accounts in Indian rupees	26,317,322	25,648,782	150,273,037
Cash on hand	1,551,134	452,091	1,882,838
Total cash and cash equivalents	**27,868,456**	**26,100,872**	**152,155,875**

Note 11 : Other bank balances

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Earmarked balances with banks for:			
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months *	3,483,744	71,804,894	1,862,637
Total other bank balances	**3,483,744**	**71,804,894**	**1,862,637**

Notes:
a) Fixed deposit with original maturity of more than three months but remaining maturity of less than twelve months have been disclosed under other bank balances.

Note 12 : Current tax assets (net)

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Advance income tax and TDS (Net of provision)	-	7,483,509	10,185,565
Total Current tax assets (Net)	**-**	**7,483,509**	**10,185,565**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

(a) Income Tax Expense

Particulars	2017-18	2016-17
Current tax expense (A)		
Current year	104,576,240	34,247,056
Short/(Excess) provision of earlier years	373,336	408
	104,949,576	34,247,464
Deferred tax expense (B)		
Origination and reversal of temporary differences	(5,434,469)	(4,363,416)
Tax expense recognised in the income statement (A+B)	99,515,108	29,884,047

(b) Amounts recognised in other comprehensive income

Particulars	2017-18			2016-17		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	2,329,683	806,257	1,523,426	(456,179)	(150,950)	(305,229)
	2,329,683	806,257	1,523,426	(456,179)	(150,950)	(305,229)

(c) Reconciliation of effective tax rate

Particulars	2017-18	2016-17
Profit before tax	389,222,720	213,130,105
domestic tax rate (Current year 34.608% and Previous Year	134,702,199	73,760,067
Tax effect of :		
Tax effect on non-deductible expenses	2,502,281	367,638
Tax effect of Other Income	(7,566,743)	(23,334,081)
Others	(30,495,965)	(20,909,984)
Adjustments recognised in current year in relation to the current tax of prior years	373,336	408
	99,515,108	29,884,048
Tax expense as per Statement of Profit & Loss	99,515,108	29,884,047
Effective tax rate	25.568%	14.022%

Note 13A : Equity Share capital

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised share capital			
2,50,00,000 equity shares of 10/- each (31 March 2017 : 2,00,00,000 equity shares of 10/- each) (01 April 2016 : 2,00,00,000 equity shares of 10/- each)	25,000,000	200,000,000	200,000,000
Total authorised share capital	**25,000,000**	**200,000,000**	**200,000,000**
Issued, subscribed and paid-up equity share capital:			
1,83,27,100 (PY 1,83,27,100) Equity shares of Rs. 10/- each fully paid up	183,271,000	183,271,000	183,271,000
Total issued, subscribed and paid-up equity share capital	**183,271,000**	**183,271,000**	**183,271,000**

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	Amount in
As at 1 April 2016	**18,327,100**	**183,271,000**
Issued during the year	-	-
As at 31 March 2017	**18,327,100**	**183,271,000**
Issued during the year	-	-
As at 31 March 2018	**18,327,100**	**183,271,000**

b. Terms/rights attached to equity shares:

i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

ii) The Company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.

iii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Shares held by holding / ultimate holding company and/or their subsidiaries / associates :

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited Equity Shares of Rs. 10/- each fully paid up	38.91%	7,130,704	49.93%	9,150,704	58.11%	10,650,704

d. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	38.91%	7,130,704	49.93%	9,150,704	58.11%	10,650,704
Akshay Gurnani	0.59%	108,867	0.59%	108,867	5.97%	1,094,867

e. Shares reserved for issue under Stock Option

7,91,955 (March 31, 2017: 8,16,355) (April 01, 2016: NIL) equity shares are reserved for the issue under Employees Stock Option Plan (ESOP) of the Company.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

f. Issue of Share Warrants

During the year, the Company had made a preferential issue of 45,00,000 Convertible Warrants of Rs.10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

g. Increase in Authorized Capital

The Company has Increase in Authorised Share Capital from Rs. 20,00,00,000/- divided in to 2,00,00,000 equity share of Rs. 10/- each to Rs. 25,00,00,000/- divided in to 2,50,00,000 equity share of Rs. 10/- each. Vide resolution passed in Extraordinary General Meeting held on 31st May, 2017.

Note 13B : Other equity

Particulars	Reserves and surplus					Other comprehensive income	Money Received against Share Warrants	Total equity attributable to equity holders
	Securities premium reserve	Statutory Reserve	Employee Stock Option Outstanding Account	Retained earnings	Foreign Currency Translation Reserve	Gain / (loss) on fair value of defined benefit plans		
As at 1 April 2016	**159,471,817**	**-**	**-**	**508,180,160**	**(4,452,237)**	**-**	**-**	**663,199,740**
Profit/(Loss) for the year (a)	-	-	-	183,246,058	-	-	-	183,246,058
Other comprehensive income (b)	-	-	-	-	-	(305,229)	-	- 305,229
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**183,246,058**	**-**	**(305,229)**	**-**	**182,940,829**
Addition during the year	-	8,391,249	45,256,260	-	(5,263,543)	-	-	48,383,966
Less : Appropriations :								-
Interim Dividend	-	-	-	18,327,100	-	-	-	18,327,100
Dividend Distribution Tax	-	-	-	9,057,594	-	-	-	9,057,594
Statutory Reserves	-	-	-	8,391,249	-	-	-	8,391,249
Proposed Dividend	-	-	-	27,490,650	-	-	-	27,490,650
As at 31 March 2017	**159,471,817**	**8,391,249**	**45,256,260**	**628,159,625**	**(9,715,780)**	**(305,229)**	**-**	**831,257,942**
Profit/(Loss) for the year (a)	-	-	-	289,707,612	-	-	-	289,707,612
Other comprehensive income (b)	-	-	-	-	-	1,523,426	-	1,523,426
Total comprehensive income for the year (a+b)	**-**	**-**	**-**	**289,707,612**	**-**	**1,523,426**	**-**	**291,231,038**
Addition during the year	-	437,013	5,941,225	-	3,528,560	-	191,250,000	201,156,798
Less : Appropriations :								
Final Dividend	-	-	-	18,327,100	-	-	-	18,327,100
Dividend Distribution Tax	-	-	-	3,709,651	-	-	-	3,709,651
Statutory Reserves	-	-	-	437,014	-	-	-	437,014
As at 31 March 2018	**159,471,817**	**8,828,262**	**51,197,485**	**895,393,472**	**(6,187,220)**	**1,218,197**	**191,250,000**	**1,301,172,014**

Description of nature and purpose of reserve

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Statutory Reserve

According to the Articles of Association of the Establishment of foreign subsidary and Article 193 of the UAE Federal Commercial Companies Law under which foreign subsidary is formed, 10% of annual net profit (after payment of management fees & dividends, if any) is allocated to the statutory reserve. The transfer to statutory reserve may be suspended when the reserve reaches 50% of the paid up capital.

Employee Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Foreign Currency Translation Reserves

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the Foreign Currency Translation Reserves.

(Gain / (loss) on fair value of defined benefit plans)

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

Money Received against Share Warrants

Money received on share warrants represents amount received on preferential issue of 45,00,000 Convertible Warrants of Rs. 10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 14 : Borrowings

Particular	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Non current			
Secured			
Term loan from bank	49,894,703	71,701,976	76,375,935
Less: Current maturities of long term debt	20,000,000	20,000,000	20,000,000
	29,894,703	**51,701,976**	**56,375,935**
Hire purchase loans from banks	5,278,773	3,746,536	6,133,208
Less: Current maturities of long term debt	2,663,291	2,154,831	2,355,623
	2,615,481	**1,591,705**	**3,777,586**
Total non-current borrowings	**32,510,184**	**53,293,681**	**60,153,521**
Current			
Secured			
Cash Credit Facility from banks	321,423,158	233,559,607	340,143,272
Total current borrowings	**321,423,158**	**233,559,607**	**340,143,272**
Total borrowings	**353,933,342**	**286,853,288**	**400,296,793**

Additional information pursuant to non current and financial borrowings :

a) Term loan amounting to Rs. 4,98,94,703 (March 31, 2017: Rs. 7,17,01,976) (April 01, 2016: Rs. 7,63,75,935) from Indian Oversease Bank carries interest of Base Rate + 2% p.a. The loan is repayable in 20 Quarterly instalments along with interest starting from June, 2016. The loan is primarily secured by way of equitable mortgage of land and building of Corporate office under construction and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropower (India) Private Limited (formerly Holding Company).

b) Hire Purchase Loans amounting to Rs. 52,78,773 (March 31, 2017: Rs. 37,46,536) (April 01, 2016: Rs. 61,33,208) from various banks and financial institutions are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 11% p.a. The loan is repayable in 36 to 60 equal monthly instalments.

c) Cash credit facility amounting to Rs. 32,14,23,158 (March 31, 2017: Rs. 23,35,59,607) (April 01, 2016: Rs. 34,01,43,272) from indian oversease bank carries interest rate of base rate + 1.75% p.a. The loan is sercured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropower (India) Private Limited (formerly Holding Company).

Note 15 : Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
- Total outstanding dues of Micro, Small and Medium Enterprises	412,840	417,160	189,485
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	76,130,920	86,059,616	106,227,132
Total trade payables	**76,543,760**	**86,476,776**	**106,416,617**

Note 16 : Other financial liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
Current maturities of long term borrowings	22,663,291	22,154,831	22,355,623
Trade Deposits	7,351,259	7,376,259	8,926,833
Salary & Wages Payable	5,002,328	4,948,331	4,604,070
Duties & taxes payable	2,545,080	17,207,938	16,773,928
Expense Payable	5,243,675	6,114,270	5,881,216
Tax on Proposed Dividend	-	-	302
Unpaid Dividend	519,901	392,341	-
Total current financial liabilities	**43,325,535**	**58,193,971**	**58,541,972**
Total other financial liabilities	**43,325,535**	**58,193,971**	**58,541,972**

Note 17 : Other current liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
Advance from Debtors	2,099,588	1,796,656	14,658,857
Provision for Warranty	1,395,872	1,241,571	1,080,439
Total other current liabilities	**3,495,461**	**3,038,227**	**15,739,296**

Provision for warranties

A provision is recognised for expected warranty claims on products sold during the years, based on past experience of the level of repairs and returns. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns based warranty period for all products sold. The table below gives information about movement in warranty provisions.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
At the beginning of the year	1,241,571	1,080,439	754,500
Arising during the year	154,301	161,132	325,939
Utilised during the year	-	-	-
Unused amount reversed	-	-	-
At the end of the year	**1,395,872**	**1,241,571**	**1,080,439**

Note 18 : Income tax liabilities (net)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for tax (Net of Advance Tax and TDS)	52,534,185	4,875,407	-
Total Income tax liabilities (net)	**52,534,185**	**4,875,407**	-

Note 19 : Provisions

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current			
Provision for employee benefits			
- Gratuity	1,879,038	795,134	-
Total current provisions	**1,879,038**	**795,134**	-

Note 19 : Revenue from operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of Products	2,534,753,034	2,390,400,148
Other Operating Revenue		
Scrap Sale	73,786	350,721
Gain on Foreign Exchange Fluctuations (Net)	1,615,813	-
Total Revenue from Operations	**2,536,442,633**	**2,390,750,869**

Note 20 : Other income

Particulars	Year ended31 March 2018	Year ended31 March 2017
Interest Income		
- on margin money deposits	714,080	226,638
- amortisation of security deposits	11,078,757	9,146,503
Profit on sale of property, plant and equipment (net)	426,033	12,620
Profit on sale of Current Investment	-	394,309
Subsidy received	-	2,730,609
Reversal of Provision for Diminution in Value of Investments	-	2,310,000
Miscellaneous Income	7,615,616	1,643,859
Total other income	**19,834,486**	**16,464,538**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 21 : Cost of materials consumed

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening stock	144,952,600	132,589,534
Add: Purchases	489,183,782	456,806,583
	634,136,383	589,396,117
Less: Closing stocks	121,546,733	144,952,600
Total Cost of Materials Consumed	**512,589,650**	**444,443,517**

Note 22 : Purchases of stock-in-trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Purchase of stock in trade	1,457,156,105	1,479,096,297
Total Purchases of stock-in-trade	**1,457,156,105**	**1,479,096,297**

Note 23 : Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Finished goods		
Opening stock		
- Accessories & Others	41,400,980	44,758,002
- Wires & Cables	31,609,739	27,465,137
	73,010,719	**72,223,139**
Closing stock		
- Accessories & Others	50,016,916	41,400,980
- Wires & Cables	70,647,425	31,609,739
	120,664,341	**73,010,719**
Changes in inventories of finished goods (A)	**(47,653,622)**	**787,580**
Stock in trade		
Opening stock		
- Accessories & Others	52,731,927	20,058,611
- Wires & Cables	7,146,796	19,711,372
- Lighting & Fittings	103,959,841	97,528,634
	163,838,564	**137,298,616**
Closing stock		
- Accessories & Others	34,940,059	52,731,927
- Wires & Cables	18,676,307	7,146,796
- Lighting & Fittings	133,158,882	103,959,841
	186,775,248	**163,838,564**
Changes in inventories of stock in trade (B)	**(22,936,684)**	**26,539,948**
Total (A+B)	**(70,590,306)**	**27,327,528**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 24 : Employee benefits expense

Particulars	Year ended31 March 2018	Year ended31 March 2017
Salary, wages and other allowances	71,369,866	67,241,196
Directors Remuneration	3,300,000	2,687,142
Employee Stock option Compensation Expense	5,941,225	45,256,260
Provision for Gratuity (Refer note 32A)	3,035,317	1,326,086
Contribution to provident fund and other funds (Refer note 32B)	5,100,738	4,547,464
Staff welfare expenses	1,361,035	1,187,011
Leave Encashment	-	7,959
Total employee benefits expense	**90,108,181**	**122,253,118**

Note 25 : Finance costs

Particulars	Year ended31 March 2018	Year ended31 March 2017
Interest expense to:		
Banks	22,468,219	39,223,470
Others	24,525	911,849
Other Borrowing Cost	5,071,290	1,102,480
Total finance costs	**27,564,035**	**41,237,799**

Note 26 : Depreciation and amortisation expense

Particulars	Year ended31 March 2018	Year ended31 March 2017
Depreciation on tangible assets	3,055,717	16,626,851
Amortisation on intangible assets	17,200	17,200
Total depreciation and amortisation expense	**3,072,917**	**16,644,051**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 27 : Other expenses

Particulars	Year ended31 March 2018	Year ended31 March 2017
Manufacturing expenses		
Consumption of :		
- Consumable & stores	645,697	155,842
- Power & fuel	8,524,379	7,402,445
Job Charges	6,034,171	6,558,144
Repairs & Maintenance :		
- Plant & machinery	1,797,664	1,835,390
- Factory building	28,320	54,015
Freight & transportation	2,291,735	2,370,318
Other factory expenses	2,195,106	1,242,005
	21,517,071	**19,618,158**
Administration, Selling and Distribution expenses		
Rent	13,730,535	12,214,876
Insurance	1,164,094	1,166,853
Rates & taxes	351,085	751,679
Repairs & maintenance	2,740,905	1,449,707
Legal and professional fees	5,051,587	4,005,292
Auditor's remuneration *	772,312	936,293
Travelling & conveyance	9,276,058	9,829,871
Communication costs	1,843,144	2,725,285
Printing & stationery	844,970	722,366
Water & electricity charges	2,590,283	2,508,954
Commision	4,938,542	4,475,633
Packing material consumed	20,014,365	24,274,129
Advertising & sales promotion	10,539,917	7,149,255
Provision for doubtful debt	-	6,384,798
Transportation, freight & handling charges	18,762,330	12,103,220
Expendture on CSR activities (Refer note 36)	1,355,632	908,480
Provision for expected credit loss	5,507,057	329,525
Provision for Warranties	154,301	161,131
Miscellaneous expenses	7,683,579	6,022,544
Total other expenses	**128,837,767**	**117,738,048**
*** Auditors' remuneration:**		
i) Statutory audit fees	375,000	392,150
ii) Taxation Matters	-	351,565
ii) Other Services	40,000	192,578
	415,000	**936,293**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 28 : Earnings per share (EPS)

The amount considered in ascertaining the Group's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS		Year ended31 March 2018	Year ended31 March 2017
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity	(Amount in	289,707,612	183,246,058
Weighted average number of equity shares for calculating Basic EPS	(Nos.)	18,327,100	18,327,100
Weighted Average Potential Equity Shares	(Nos.)	605,023	420,227
Total Weighted Average number of Equity Shares used for calculating Diluted EPS	(Nos.)	18,932,123	18,747,327
Basic EPS	(Rs.)	15.81	10.00
Diluted EPS	(Rs.)	15.30	9.77

Note 30 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions,Contingent Liabilities and Contingent Assets" are given below:

Contingent liabilities

Particular	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2016
i) Guarantee given by bank on behalf of the Company	1,140,243	2,097,000	9,497,000
ii) Disputed Sales Tax Liability	-	-	660,367
iii) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance)	-	9,931,310	30,714,526
	1,140,243	**12,028,310**	**40,871,893**

Note 31 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships

Nature of relationship	Nature of the party
A) Key Management Personnel (KMP)	
Akshay Gurnani	Managing Director
Naraindas Gurnani	Whole time Director & Chief Financial Officer (From 24.05.2016)
Dinesh Gurnani	Whole time Director & Chief Financial Officer (Upto 23.05.2016)
Jyoti Gurnani	Director

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships

Nature of relationship	Nature of the party
Ms. Chavi Rawat	Company Secretary (Upto 09.02.2016)
Ms. Shilpi Keshwani	Company Secretary (From 05.03.2016)
B) Holding Company	Veto Electropower (India) Private Limited (Upto 14-07-2016)
C) Ultimate Holding Company	Gurnani Holdings Private Limited (Upto 14-07-2016)
D) Subsidiary Companies	Veto Electricals Private Limited Veto Overseas Private FZE
E) Entities in which KMP and their relatives have significant	Pinkcity Buildhome Private Limited Pink Square Real Estate Private Limited Tulsi Palace Resort Private Limited Veto Polymers and Metals

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

b. Transactions with Related Parties :

(i) Key Managerial Personnel

Name of Party	Nature of Transaction	Year ended March 31, 2018	Year ended March 31, 2017
Akshay Gurnani	Remuneration	1,500,000	1,500,000
	Sales (Net)	10,380	21,327
	ESOP Granted	-	6,69,855 (in Nos.)
Dinesh Gurnani	Remuneration	-	120,000
	Sales (Net)	10,350	-
Naraindas Gurnani	Remuneration	1,200,000	467,142
Shilpi Keshwani	Remuneration	292,305	249,852
Jyoti Gurnani	Remuneration	600,000	600,000
	Advance Remuneration	103,313	-
	ESOP Granted	-	900 (in Nos.)
Pinkcity Buildhome Private Limited	Sales (Net)	269,133	90,216
	Service Taken	270,587	47,237
	Loan Granted	-	1,350,000
	Loan Received Back	-	1,350,000
Veto Electropower (India) Private Limited	Sales (Net)	-	3,168
	Loan Taken	-	26,001,823
	Loan Repaid	-	26,001,823
	Advance for supplies	9,500,000	-
Veto Polymers and Metals	Purchase	52,225,172	-
	Advance for supplies	31,124,129	-
Pink Square Real Estate Private Limited	Sales (Net)	338	90,537
Anjali Packaging	Sales (Net)	46,592	87,041

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Akshay Gurnani	Remuneration Payable	85,000	105,000	105,000
	Trade Recievables	44,681	32,562	11,235
	ESOP Outstanding	6,69,855(in Nos.)	6,69,855(in Nos.)	-
Dinesh Gurani	Remuneration Payable	-	-	56,500
Naraindas Gurnani	Remuneration Payable	100,000	85,000	-
Shilpi Keswani	Remuneration Payable	38,950	32,824	15,262
Jyoti Gurnani	Remuneration Payable	-	50,000	46,000
	Advance Remuneration	103,313	-	-
	ESOP Outstanding	900 (in Nos.)	900 (in Nos.)	-
Pinkcity Buildhome Private Limited	Other Payables	-	4,591	59,852
	Trade Recievables	93,689	-	-
Veto Electropower (India) Private Limited	Advance to suppliers	9,500,000	-	-
Veto Polymers and Metals	Advance to suppliers	31,124,129	-	-
Tulsi Palace Resort Pvt. Ltd. Jaipur	Trade Recievables	607,089	64,251	22,174

A. Defined benefit obligations - Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.The obligation for leave encashment is recognised in the same manner as gratuity.

Note 32 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	5,327,505	3,908,596
Past service cost	20,878	-
Service cost	3,014,703	1,334,076
Interest cost	362,570	302,723
Actuarial loss / (gain)	(2,475,944)	483,514
Liabilities transferred in / (out)	-	-
Liabilities transferred out/Divestment	-	-
Benefits paid	(220,452)	(701,404)
Present value of obligation as at the end of the year	**6,029,260**	**5,327,505**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
b) Changes in Fair Value of Plan Assets		
Opening value of plan assets	**4,532,371**	**4,331,717**
Interest Income	362,834	310,713
Return on plan assets excluding amounts included in interest income	(146,261)	27,335
Contributions by employer	-	102,029
Benefits paid	(598,722)	(239,423)
Closing value of plan assets	**4,150,222**	**4,532,371**
c) The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	6,029,260	5,327,505
Fair Value of plan assets as at the end of the year	4,150,222	4,532,371
Net (assets) / liability recognised in balance sheet	**1,879,038**	**795,134**
d) Expenses recognised in the Statement of Profit and Loss		
Service cost	3,014,703	1,334,076
Past service cost	20,878	-
Net Interest Cost	(264)	(7,990)
Total	**3,035,581**	**1,334,076**
e) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	(185,848)	358,654
Actuarial changes arising from changes in demographic assumptions	-	-
Due to experience adjustments	(2,290,396)	124,860
Return on plan assets excluding amount included in interest income	146,261	(27,335)
Total	**(2,329,983)**	**456,179**

f) Actuarial assumptions	31st March 2018	31st March 2017	1st April 2016
Discount rate	7.60% p.a.	7.15% p.a.	7.80% p.a.
Normal retirement age (in years)	58	58	58
Salary escalation rate (% p.a.) *	7% p.a.	7% p.a.	7% p.a.
Attrition rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

g) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31st March 2018	31st March 2017
	0.5 % increase	
i. Discount rate	52,37,220	51,32,951
	-3.56%	-3.65%
	0.5 % increase	
ii. Salary escalation rate	56,36,610	55,34,954
	3.79%	3.89%
	10% increase	
iii. Attrition rate	53,89,397	52,58,488
	-0.76%	-1.30%
	0.5 % decrease	
i. Discount rate	56,37,439	55,36,125
	3.81%	3.92%
	0.5 % decrease	
ii. Salary escalation rate	52,36,102	51,32,142
	-3.58%	-3.67%
	10% decrease	
iii. Attrition rate	54,70,753	53,98,585
	0.74%	1.33%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined

h) Maturity analysis of defined benefit obligation		
1st Following Year	533,208	513,204
2nd Following Year	540,806	466,690
3 rd Following Year	537,799	551,300
4th Following Year	557,424	555,107
5th Following Year	580,611	562,010
Sum of Year 6 to 10 Year	2,710,171	2,497,787
Total expected payments	**5,460,019**	**5,146,098**

B Defined contribution plans

a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

(i) Contribution to provident fund	3,404,123	2,969,944
(ii) Contribution to ESIC	1,696,615	1,577,520
	5,100,738	**4,547,464**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 33 : Segment reporting as required under Indian Accounting Standard 108, "Operating Segments"

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments

(a) Wire and Cables (b) Lighting & Fittings (c) Accessories & Others

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of inventory.Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Segment Revenue		
Wire & Cables	1,055,747,230	1,039,676,802
Lighting & Fittings	713,606,291	349,601,551
Accessories & Others	767,089,513	1,001,120,791
Total Revenue	**2,536,443,034**	**2,390,399,144**
Segment Results		
Wire & Cables	202,129,189	198,323,966
Lighting & Fittings	131,860,862	63,226,856
Accessories & Others	205,611,317	164,669,039
	539,601,367	**426,219,861**
Less : Unallocable Expenses	(115,498,143)	(161,768,841)
Less : Depreciation	(14,806,302)	(16,644,051)
Operating Profit	**409,296,922**	**247,806,969**
Less : Finance Cost	(27,413,689)	(41,237,799)
Add : Other Income	9,669,169	6,104,756
Profit Before Tax	**391,552,402**	**212,673,926**
Less : Tax expense (Net)	(100,321,364)	(29,733,097)
Profit After Tax	**291,231,038**	**182,940,829**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Segments Assets			
Wire & Cables	119,296,107	38,756,536	47,176,509
Lighting & Fittings	132,675,816	103,959,841	97,528,634
Accessories & Others	84,592,304	94,132,907	64,816,613
Unallocated	1,679,590,108	1,217,912,462	1,217,943,662
	2,016,154,335	**1,454,761,745**	**1,427,465,418**
Segments Liabilities			
Wire & Cables	9,691,452	8,283,552	-
Lighting & Fittings	17,212,838	26,138,844	-
Accessories & Others	36,058,685	33,708,302	-
Unallocated	468,748,346	372,102,105	580,994,678
	531,711,321	**440,232,803**	**580,994,678**

Note 34 : Expenditure on Corporate Social Responsibility Activities

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act,2013.

Details of CSR Expenditure:

a) Gross amount required to be spent by the

Amount in

Particulars	As at 31 March 2018	As at 31 March 2017
Details of CSR Expenditure:		
Amount required to be spent by the Company	2,334,767	1,895,890

b) Amount spent during the year

Particulars	Amount Spent		Amount yet to be Spent		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Contibution to Trust	1,355,632	908,480	979,135	987,410	2,334,767	1,895,890
For the Welfare of Widows	25,200	-	-	-	25,200	-
	1,355,632	908,480	979,135	987,410	2,334,767	1,895,890

Note 35 : Share Base Payment

Veto Switchgears and Cables Limited Employees stock option plan ('ESOP') 2015

The Board of Directors of the Company in their meeting held on 23rd July, 2015 and the shareholders of the Company in their general meeting held on 26th August, 2015 have approved the ESOP 2015 ('the Scheme'), which covers the employees of the Company and the its subsidiaries, if any, but excludes promoters and directors directly or indirectly holding 10% of the issued and subscribed shares of the Company. The Scheme is administered and supervised by the Compensation Committee of the Company. Each option shall entitle the the holder of option to one equity share on vesting of the option as per the terms and conditions of the scheme.

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

During the period upto March 31, 2018, the Company has granted options on the following dates:

Grant date	No of options
23-May-16	916,355
Total	**916,355**

The Options shall vest in 1 year from the date of Grant. The exercise period shall be 3 years after vesting period. As per the scheme, the exercise price is determined by the Compensation Committee. The fair value of the option is determined at the Market Price based on latest available closing price on a recognised stock exchange on the date immediately prior to the grant date expected forfeiture rate is assumed to be 1%.

Employee stock option activity under the Scheme is as follows:

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Outstanding at beginning of the year	816,355	-	-	-
Granted during the year	-	50.00	916,355	50.00
Forfeited during the year	24,400	50.00	100,000	50.00
Exercised during the year	Not Applicable		Not Applicable	
Outstanding at the end of the year	791,955	50.00	816,355	50.00
Vested and exercisable at the end of the year	791,955	-	-	-

Disclosure related to stock options outstanding at year end

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise price
Veto Switchgears and Cables Limited Employees stock option plan ('ESOP') 2015	50	791,955	2.11 Years	50.00

Expenses Arising from share based payment transactions

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Employee share based payment expense	5,941,225	45,256,260

Note 36 : Fair Value Measurement

Particulars	Refer note	31 March 2018				31 March 2017				01 April 2016			
		Carring Amount	FVPL	FVOCI	Amortised Cost	Carring Amount	FVPL	FVOCI	Amortised Cost	Carring Amount	FVPL	FVOCI	Amortised Cost
Financial Assets:													
Investments													
Investments in equity shares	4	149,000	-	-	149,000	149,000	-	-	149,000	3,089,000	2,940,000	-	149,000
Others financial assets	5	18,628,487	-	-	18,628,487	17,152,275	-	-	17,152,275	139,871,895	-	-	139,871,895
Trade receivables	9	1,065,468,400	-	-	1,065,468,400	560,152,167	-	-	560,152,167	412,331,118	-	-	412,331,118
Cash and cash equivalents	10	27,868,456	-	-	27,868,456	26,100,872	-	-	26,100,872	152,155,875	-	-	152,155,875
Other Bank balances	11	3,483,744	-	-	3,483,744	71,804,894	-	-	71,804,894	1,862,637	-	-	1,862,637
Total Financial Assets		**1,115,598,086**	**-**	**-**	**1,115,598,086**	**675,359,209**	**-**	**-**	**675,359,209**	**709,310,524**	**2,940,000**	**-**	**706,370,524**
Financial Liabilities:													
Borrowings	14	321,423,158	-	-	321,423,158	233,559,607	-	-	233,559,607	340,143,272	-	-	340,143,272
Trade payables	15	76,543,760	-	-	76,543,760	86,476,776	-	-	86,476,776	106,416,617	-	-	106,416,617
Other financial liabilities	16	43,325,535	-	-	43,325,535	58,193,971	-	-	58,193,971	58,541,972	-	-	58,541,972
Total Financial liabilities		**441,292,453**	**-**	**-**	**441,292,453**	**378,230,354**	**-**	**-**	**378,230,354**	**505,101,861**	**-**	**-**	**505,101,861**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

The Company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents,Borrowings (current and non current),Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Asset & Liabilities as at March 31, 2016	Carring Values	Routed through Profit & Loss				Carried at Amortised	Total Amount
		Level 1	Level 2	Level 3	Total		
Financial Assets:							
Investments							
Investments in equity shares	3,089,000	2,940,000	-	-	2,940,000	149,000	3,089,000
Others financial assets	139,871,895	-	-	-	-	139,871,895	139,871,895
Trade receivables	412,331,118	-	-	-	-	412,331,118	412,331,118
Cash and cash equivalents	152,155,875	-	-	-	-	152,155,875	152,155,875
Other Bank balances	1,862,637	-	-	-	-	1,862,637	1,862,637
Total Financial Assets	**709,310,524**	**2,940,000**	**-**	**-**	**2,940,000**	**706,370,524**	**709,310,524**
Financial Liabilities:							
Borrowings	340,143,272	-	-	-	-	340,143,272	340,143,272
Trade payables	106,416,617	-	-	-	-	106,416,617	106,416,617
Other financial liabilities	58,541,972	-	-	-	-	58,541,972	58,541,972
Total Financial liabilities	**505,101,861**	**-**	**-**	**-**	**-**	**505,101,861**	**505,101,861**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Note 37 : Financial risk management objectives and policies

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Group periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Ageing of Accounts receivables :

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Not Due	-	-	-
0 - 6 months	1,005,256,901	517,083,483	371,537,428
6 - 12 months	57,887,806	31,735,456	30,571,192
Beyond 12 months	25,819,555	29,322,033	21,496,981
Total	**1,088,964,262**	**578,140,973**	**423,605,600**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year	5,790,819	5,461,294
Addition/(Reversal during the year)	5,507,057	329,525
Balance at the end of the year	**11,297,876**	**5,790,819**

ii) Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

b) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2018	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	321,423,158	-	32,510,184	353,933,342
Other current financial liabilities	-	43,325,535	-	43,325,535
Trade payables	-	76,543,760	-	76,543,760
Other financial liabilities	-	3,495,461	-	3,495,461
	321,423,158	123,364,756	32,510,184	477,298,098

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

As at March 31, 2017	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	233,559,607	-	53,293,681	286,853,288
Other non current financial liabilities	-	58,193,971	-	58,193,971
Trade payables	-	86,476,776	-	86,476,776
Other current financial liabilities	-	3,038,227	-	3,038,227
	233,559,607	147,708,974	53,293,681	434,562,262

As at April 1, 2016	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	340,143,272	-	60,153,521	60,153,521
Other non current financial liabilities	-	58,541,972	-	58,541,972
Trade payables	-	106,416,617	-	106,416,617
Other current financial liabilities	-	15,739,296	-	15,739,296
	340,143,272	180,697,885	60,153,521	240,851,406

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

i. Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. Thefunctional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and Arab Emirates Dirham. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Amount in Foreign currency

Particulars	31st March, 2018 USD	31st March 2017 USD	1st April 2016 USD
Financial Asset			
Non Current Loans	-	-	-
Trade Receivables	421,311.07	53,419	-
Exposure for assets (a)	421,311.07	53,419	-
Financial Liabilities			
Trade Payables	213,029.62	-	-
Exposure for liabilities (b)	213,029.62	-	-
Net exposure (a-b)	208,281.45	53,419	-

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	31st March, 2018 USD	31st March 2017 USD	1st April 2016 USD
Financial Asset			
Non Current Loans	-	-	-
Trade Receivables	27,403,799	3,451,069	
Exposure for assets (a)	27,403,799	3,451,069	-
Financial Liabilities			
Trade Payables	13,856,320	-	-
Exposure for liabilities (b)	13,856,320	-	-
Net exposure (a-b)	13,547,479	3,451,069	-

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	31st March, 2018 Profit or (loss) and Equity		31st March 2017 Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	-	-	-	-
	-	-	-	-

ii. 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 through the impact of rate changes on interest-bearing liabilities and assets. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Total Borrowings	376,596,633	309,008,119	422,652,415
	376,596,633	309,008,119	422,652,415

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Profit or loss	
	50 bp increase	50 bp decrease
31st March 2018		
Variable-rate loan instruments	(1,882,983)	1,882,983
Cash flow sensitivity (net)	(1,882,983)	1,882,983
31st March 2017		
Variable-rate loan instruments	(1,545,041)	1,545,041
Cash flow sensitivity (net)	(1,545,041)	1,545,041

iii. Other price risk

The Group is not exposed to the other price risk.

Note 38 : Capital Management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
loans and borrowings	376,596,633	309,008,119	422,652,415
Net Debt	**376,596,633**	**309,008,119**	**422,652,415**
Equity	1,484,443,014	1,014,528,942	846,470,740
Total Capital	**1,484,443,014**	**1,014,528,942**	**846,470,740**
Capital and Net Debt	**1,861,039,647**	**1,323,537,061**	**1,269,123,156**
Gearing ratio (Net Debt/Capital and Net Debt)	**0.20**	**0.23**	**0.33**

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 39 : Dividend Paid and Proposed

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Dividend declared and paid during the year:		
Final Dividend paid for the year ended March 31, 2018 1/- per share		
(March 31, 2017 : 1.5/- per share)	18,327,100	27,490,650
Corporate Dividend Tax on Final Dividend	3,709,651	5,434,556
Interim Dividend for the year ended March 31, 2018 : Nil		
(March 31, 2017: 1/- per share)	-	18,327,100
Corporate Dividend Tax on Interim Dividend	-	3,623,038
Total	**22,036,751**	**54,875,344**

Note 40 : Disclosure of additional information pertaining to the Parent Group and Subsidiaries:

a) For the Year ended 31st March 2018

Name of the Enterprises	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or loss		Other comprehensive income		Total comprehensive income	
	Net Assets	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit or Loss	Other comprehensive income	As % 0f Other comprehensive income	Total comprehensive income	As % 0f Total comprehensive income
Parent								
Veto Switchgears And Cables Limited	1,277,837,417	86.08%	149,647,575	51.65%	1,523,426	100.00%	151,171,001	51.91%
Subsidiaries								
Veto Overseas Private FZE	213,291,254	14.37%	132,119,499	45.60%	-	0.00%	132,119,499	45.37%
Veto Electricals Private Limited	(6,685,657)	-0.45%	7,940,537	2.74%	-	0.00%	7,940,537	2.73%
Minority Interest in all subsidiaries	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TOTAL	**1,484,443,014**	**100.00%**	**289,707,611**	**100.00%**	**1,523,426**	**100.00%**	**291,231,037**	**100.00%**

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2018

b) For the Year ended 31st March 2017

Name of the Enterprises	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or loss		Share in Profit or loss		Share in Profit or loss	
	Net Assets	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit or Loss	Share in Profit or loss	As % 0f Other comprehensive income	Share in Profit or loss	As % 0f Total comprehensive income
Parent								
Veto Switchgears And Cables Limited	939,458,306	92.60%	101,128,073	55.19%	(305,229)	100.00%	100,822,844	55.11%
Subsidiaries								
Veto Overseas Private FZE	81,438,124	8.03%	85,662,485	46.75%	-	0.00%	85,662,485	46.83%
Veto Electricals Private Limited	(6,367,488)	-0.63%	(3,544,500)	-1.93%	-	0.00%	(3,544,500)	-1.94%
Minority Interest in all subsidiaries	-	0.00%	-	0.00%	-	0.00%	-	0.00%
TOTAL	**1,014,528,942**	**100%**	**183,246,058**	**100%**	**(305,229)**	**100%**	**182,940,829**	**100%**

Note : The above figures are after eliminating intra group transactions and intra group balances as at 31st March, 2018

Note 41 : Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise Duty, Value Added Tax (VAT),etc. have been replaced by GST. In accordance with AS-9 "Revenue Recognisation" and Schedule III of Companies Act 2013, GST is not Included in Revenue from operations from 1st July 2017 onwards. However, for the period April 2017 to June 2017 and Earlier Comparative Periods, excise duty is included in the revenue form operations hence not comparable.

Note 42 : The board of directors has proposed the final dividend of Re. 2/- per equity share, subject to the approval of shareholders of the Company.

Note 43 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

In terms of our report of even date

For K.M.Tulsiyan & AssociatesFor and on behalf of the Board

Chartered AccountantsVeto Switchgears and Cables Limited

Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. 131146

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Narian Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place : Mumbai
Date : 28th May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
Veto Switchgears and Cables Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Veto Switchgears and Cables Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the change in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial statement").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 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 (state of affairs) financial position, profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 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 the 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 controls relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also

includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence 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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Financials Statements of the Company for the year ended 31st March 2017, were audited by SGCO & Co. LLP who expressed an unmodified opinion on those statements.

The comparative financial Information of the company for the year ended 31st March 2017 and the transition date opening Balance Sheet as at 1st April 2016 included in these Ind AS Financial Statements ,are based on the statutory Financials Statements prepared in accordance with the companies (Accounting Standard), Rules, 2006 audited by SGCO & Co. LLP whose report for the year ended 31st March 2017 and 31st March 2016 dated 30th May 2017 and 30th May 2016 respectively expressed an unmodified opinion on those Financial Statements, as adopted for the differences in accounting principles adopted by the company on transition to the Ind AS, which 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 section143 of the Act, we give in the **"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 further report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the 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, read with relevant rules issued thereunder;
   e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer note no. 32 of the Financial Statements)

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

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

iv. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

For K.M. Tulsian & Associates
Chartered Accountants
Firm's Reg. No. 111075W

Nitesh Muahib
Partner
Place : Mumbai
Date : 28th May 2018

Annexure "A" to Independent Auditor's Report

Annexure referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of Veto Switchgears and Cables Limited ("the Company") on the Standalone Ind AS financial statements for the year ended 31st March 2018.

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

(b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of company.

(ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.

(iii) (a) The Company has granted unsecured loans to 2 parties covered in the register maintained under section 189 of the Companies Act, 2013.

(b) As explained to us and on the basis of information and explanation given to us, the rate of interest and terms and conditions on the basis of which such loans are granted are not prejudicial to the interest of the Company.

(c) As informed to us, no repayment schedule has been stipulated for repayment of principal and interest. There is no overdue amount outstanding for more than 90 days.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Sections of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public within the provision of Section 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.

(vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.

(vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2018 for a period more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, Goods & Service tax, value added tax, custom duty, excise duty which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution.

(ix) The Company has not raised money by way of public issue offer/ further public offer (including debt instruments) and term loan have been applied by the Company for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practises in India, and according to the information and explanation given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officer or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.

(xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us, all transaction entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial Statements etc., as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations give to us and based on our examination of the records, the Company has made private placement of shares warrants during the year under audit and the requirements of section 42 of the Act have been complied with.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company Is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K.M. Tulsian & Associates
Chartered Accountants
Firm's Reg. No. 111075W

Nitesh Musahib
Partner
Mem. No. 131146

Place : Mumbai
Date : 28th May, 2018

Annexure "B" to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Veto Switchgears and Cables Limited for the year ended 31st March 2018.

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

We have audited the internal financial controls over financial reporting of Veto Switchgears and Cables Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For K.M. Tulsian & Associates
Chartered Accountants
Firm's Reg. No. 111075W

Nitesh Musahib
Partner
Mem. No. 131146

Place : Mumbai
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Balance Sheet as at 31st March 201

Amount in ₹

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
Non-current assets				
Property, Plant and Equipment	3A	17,58,88,914	17,90,62,467	18,96,91,400
Capital work-in-progress	3B	7,32,25,597	5,02,56,614	2,10,39,692
Intangible assets	4	2,800	14,988	32,188
Financial assets				
Investments	5	1,92,69,000	1,92,69,000	1,92,69,000
Loans	6	40,91,03,474	19,45,77,074	16,41,24,384
Other financial assets	7	1,77,01,950	1,67,09,568	13,93,37,494
Deferred tax assets (net)	8	2,85,30,705	2,26,95,156	1,81,80,790
Other non-current assets	9	12,05,933	4,28,82,067	3,57,37,780
Total non-current assets		**72,49,28,372**	**52,54,66,934**	**58,74,12,727**
Current assets				
Inventories	10	43,28,74,235	33,71,91,765	33,67,28,198
Financial assets				
Investments	5	-	-	29,40,000
Trade receivables	11	53,95,96,019	42,04,93,728	39,63,09,225
Cash and cash equivalents	12	2,00,75,612	1,81,43,971	1,93,11,071
Other bank balances	13	34,83,744	11,83,814	18,62,637
Income Tax Assets (Net)	14	-	74,87,558	1,01,85,565
Other current assets	9	8,16,40,432	2,85,13,321	1,63,10,641
Total current assets		**1,07,76,70,042**	**81,30,14,158**	**78,36,47,336**
TOTAL ASSETS		**1,80,25,98,414**	**1,33,84,81,092**	**1,37,10,60,063**
EQUITY AND LIABILITIES				
Equity				
Share capital	15A	18,32,71,000	18,32,71,000	18,32,71,000
Other equity	15B	1,09,78,69,671	72,07,82,837	61,08,62,642
Total equity		**1,28,11,40,671**	**90,40,53,837**	**79,41,33,642**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	3,25,10,184	5,32,93,681	6,01,53,521
Total non-current liabilities		**3,25,10,184**	**5,32,93,681**	**6,01,53,521**
Current liabilities				
Financial liabilities				
Borrowings	16	32,14,23,158	23,35,59,607	34,01,43,272
Trade payables	17	7,24,81,311	8,12,41,094	10,25,88,228
Other financial liabilities	18	3,71,34,406	5,76,24,105	5,83,02,101
Other current liabilities	19	34,95,461	30,38,227	1,57,39,299
Income Tax Liabilities (Net)	20	5,25,34,185	48,75,407	-
Provisions	21	18,79,038	7,95,134	-
Total current liabilities		**48,89,47,559**	**38,11,33,574**	**51,67,72,900**
TOTAL EQUITY AND LIABILITIES		**1,80,25,98,414**	**1,33,84,81,092**	**1,37,10,60,063**

Notes 1 to 47 form an integral part of the standalone financial statements

This is the Balance Sheet referred to in our audit report of even date

For K. M. Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Statement of Profit and Loss for the year ended 31 March 201

Amount in ₹

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	22	1,23,80,07,089	1,20,33,92,820
Other income	23	5,83,69,228	5,36,16,440
Total income		**1,29,63,76,317**	**1,25,70,09,261**
Expenses			
Cost of Materials Consumed	24	47,28,50,863	44,44,43,517
Purchases of stock-in-trade	25	42,01,08,045	36,91,30,911
Changes in inventories of finished goods and stock in trade	26	(12,43,68,394)	1,19,16,577
Excise Duty Expenses		55,71,894	-
Employee benefits expense	27	7,55,32,234	11,00,55,843
Finance costs	28	2,73,98,321	4,10,30,711
Depreciation and amortisation expense	29	1,48,04,799	1,66,44,051
Other expenses	30	10,68,62,698	11,10,88,757
Total expenses		**99,87,60,459**	**1,10,43,10,366**
Profit before tax		**29,76,15,858**	**15,26,98,895**
Tax expense/ (credit)			
Current income tax		10,45,76,240	3,42,43,007
Taxation for earlier years		3,73,336	408
Deferred tax		(66,41,806)	(43,63,416)
		9,83,07,770	**2,98,79,999**
Profit for the year (A)		**19,93,08,088**	**12,28,18,896**
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Re-measurement gains / (losses) on defined benefits plans		23,29,683	(4,56,179)
- Income tax effect on above		(8,06,257)	1,50,950
Other comprehensive income for the year, net of tax (B)		**15,23,426**	**(3,05,229)**
Total comprehensive income for the year, net of tax (A+B)		**20,08,31,514**	**12,25,13,667**
Earnings per share (EPS)	31		
(per equity share of nominal value Rs. 10 each)			
Basic (in Rs.)		10.88	6.70
Diluted (in Rs.)		10.53	6.55

Notes 1 to 47 form an integral part of the standalone financial statements

This is the statement of profit and loss referred to in our audit report of even date

For K. M. Tulsian & Associates
Chartered Accountants
Firm Registration No. *111075 W*

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.

Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Statement of Changes in Equity for the year ended 31 March 2018

A) Equity share capital

Particulars	Number	Amount in ₹
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 1 April 2016	**1,83,27,100**	**18,32,71,000**
Issue of equity shares	-	-
As at 31 March 2017	**1,83,27,100**	**18,32,71,000**
Issue of equity shares	-	-
As at 31 March 2018	**1,83,27,100**	**18,32,71,000**

B) Other equity

Amount in ₹

Particulars	Reserves and surplus				Items of Other comprehensive income	Money Received against Share Warrants	Total equity attributable to equity holders
	Securities premium reserve	Employee Stock Option Outstanding Account	Retained earnings	Foreign Currency Translation Reserves	Gain / (loss) on fair value of defined benefit plans		
As at 1 April 2016	**15,94,71,817**	**-**	**45,39,07,860**	**(25,17,035)**	**-**	**-**	**61,08,62,642**
Profit/(Loss) for the year (a)	-	-	12,28,18,896	-	-	-	12,28,18,896
Other comprehensive income (b)	-	-	-		(3,05,229)	-	(3,05,229)
Total comprehensive income for the year (a+b)	**-**	**-**	**12,28,18,896**	**-**	**(3,05,229)**	**-**	**12,25,13,667**
Addition during the year	-	4,52,56,260	-	(29,74,389)	-	-	**4,22,81,871**
Less : Appropriations :							
Interim Dividend	-	-	1,83,27,100	-	-	-	**1,83,27,100**
Dividend Distribution Tax	-	-	90,57,594	-	-	-	**90,57,594**
Final Dividend	-	-	2,74,90,650	-	-	-	**2,74,90,650**
As at 31 March 2017	**15,94,71,817**	**4,52,56,260**	**52,18,51,412**	**(54,91,424)**	**(3,05,229)**	**-**	**72,07,82,837**
Profit/(Loss) for the year	-	-	19,93,08,088	-	-	-	**19,93,08,088**
Other comprehensive income	-	-	-		15,23,426	-	**15,23,426**
Total comprehensive income for the year (a+b)	**-**	**-**	**19,93,08,088**	**-**	**15,23,426**	**-**	**20,08,31,514**
Addition during the year	-	59,41,225	-	11,00,846	-	19,12,50,000	**19,82,92,071**
Less : Appropriations :							
Final Dividend	-	-	1,83,27,100	-	-	-	**1,83,27,100**
Dividend Distribution Tax	-	-	37,09,651	-	-	-	**37,09,651**
As at 31 March 2018	**15,94,71,817**	**5,11,97,485**	**69,91,22,749**	**(43,90,577)**	**12,18,197**	**19,12,50,000**	**1,09,78,69,671**

This is the Statement of Changes in Equity referred to in our audit report of even date

For K. M. Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Cash Flow Statement for the year ended 31 March 2018

Amount in ₹

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	**29,76,15,858**	**15,26,98,895**
Adjustments for		
Depreciation and amortisation expense	1,48,04,799	1,66,44,051
Diminution / (Reversal) in value of current investments	-	(23,10,000)
Finance costs	2,73,98,321	4,10,30,711
Interest income	(2,88,94,724)	(2,65,25,044)
Subsidy received	-	(27,30,609)
Dividend from subsidiary company	(2,14,38,111)	(2,00,00,000)
Provision for doubtful debts	-	63,84,798
Provision for expected credit loss on trade receivables	55,07,057	3,29,525
Provision for expenses of Employee Stock Option Plan	59,41,225	4,52,56,260
Profit on sale of current investments	-	(3,94,309)
Sundry balances written off		79,516
Remeasurement of defined benefit plans as per actuarial valuation	23,29,683	(4,56,179)
Profit on sale of property, plant and equipment (net)	(4,26,033)	(12,620)
Operating profit before working capital changes	**30,28,38,075**	**20,99,94,994**
Adjustments for changes in working capital:		
Decrease / (increase) in trade receivables	(12,46,09,348)	(3,08,98,826)
Decrease / (increase) in inventories	(9,56,82,470)	(4,63,567)
Decrease / (increase) in other financial assets	(9,92,382)	12,26,27,926
Decrease / (increase) in other non current assets	4,16,76,134	(71,44,287)
Decrease / (increase) in other current assets	(5,31,27,111)	(1,22,02,680)
(Decrease) / Increase in provisions	10,83,904	7,95,134
(Decrease) / Increase in trade and other payables	(76,58,936)	(2,43,21,523)
(Decrease) / Increase in other financial liabilities	(2,09,98,159)	(4,77,205)
(Decrease) / Increase in other current liabilities	4,57,233	(1,27,01,072)
Cash generated from / (used in) operations	**4,29,86,941**	**24,52,08,894**
Direct taxes paid (net of refunds received)	(4,98,03,240)	(2,66,70,001)
Net cash (used in) / from generated from operating activities (A)	**(68,16,299)**	**21,85,38,893**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress)	(3,41,62,008)	(3,52,81,736)
Loans & advances received back / (given)	(21,45,26,399)	(3,04,52,690)
Proceeds from sale of non-current investments	-	56,44,309
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(22,99,930)	6,78,823
Interest received	2,88,94,724	2,65,25,044
Dividend received	2,14,38,111	2,00,00,000
Net cash (used in) / generated from investing activities	**(20,06,55,502)**	**(1,28,86,251)**

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Cash Flow Statement for the year ended 31 March 2018

Amount in ₹

C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share warrant	19,12,50,000	-
Proceeds / (Repayment) of long-term borrowings (net)	(2,02,75,037)	(70,60,631)
Proceeds / (Repayment) of short-term borrowings (net)	8,78,63,551	(10,65,83,665)
Proceeds from Capital Grant Received	-	27,30,609
Dividend Paid (including dividend distribution tax)	(2,20,36,751)	(5,48,75,344)
Interest paid	(2,73,98,321)	(4,10,30,711)
Net cash (used in) / from financing activities	**20,94,03,442**	**(20,68,19,742)**
Net decrease in cash and cash equivalents (A+B+C)	**19,31,641**	**(11,67,100)**
Cash and cash equivalents at the beginning of the year	1,81,43,971	1,93,11,071
Cash and cash equivalents at the end of the year	**2,00,75,612**	**1,81,43,971**
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
In bank current accounts in Indian rupees	1,85,70,639	1,77,14,011
Cash on hand	15,04,973	4,29,960
	2,00,75,612	**1,81,43,971**

Amendment to Ind AS 7

The amendment to Ind AS 7 cash flow statement requires the entities to provide disclosures that enable users of financial statement to evaluate changes in liabilities arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balance in the balance sheet for the liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and required disclosure is made below. there is no other impact on the financial statements due to this amendment.

Amount in ₹

Particulars	As at 31 March 2017	Cash Flow	Fair Value Change	Current / non-current Classification	As at 31 March 2018
Borrowing Non-Current	5,32,93,681	(2,02,75,037)	-	(5,08,460)	3,25,10,184
Other Financial Liabilities	5,76,24,105	(2,09,98,159)	-	5,08,460	3,71,34,406
Borrowing - Current	23,35,59,607	8,78,63,551	-	-	32,14,23,158

Notes 1 to 47 form an integral part of the standalone financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For K. M. Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

Nitesh Musahib
Partner
Membership No. : 131146

Place: Mumbai
Date : 28th May, 2018

For and on behalf of the Board
Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
Managing Direcor
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 1: Corporate Information

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Compay has its manufacturing unit at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in LED lighting, CFL & Fans.

Note 2.1 Significant Accounting Policies

i. Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements for all periods upto and including year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP").The financial statements for the year ended 31 March 2018 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2.2 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteira set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Rupees, except when otherwise indicated.

The standalone financial statements (the financial statements) of the Company for the year ended 31 March 2018 were authorised for issue in accordance with resolution of the Board of Directors on 28th May 2018.

ii. Accounting Estimates The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future

developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Receivables

The impairment provisions of financial receivalbles based on the assumptions about risk of default and expected loss rates.

iii. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under previous GAAP as at 1 April 2016 of its Property, Plant and Equipment and use that carrying value as the deemed cost.

iv. Intangible Assets

Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Intangible Assets and used that carrying value as the deemed cost.

v. Depreciation/ Amortisation

Depreciation/ amortisation is provided:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on Property, Plant & Equipment of the company has been provided as per the Written Down value method as per the useful lives of the respective Property, Plant & Equipment in the manner as prescribed by Schedule II of the Act.

Leasehold improvements are written off over the noncancellable period of lease.

Goodwill & Trade marks has been amortized over a period of five years.

v. iFinancial Instruments

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

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its equity investments in subsidiaries and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2016.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it

recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substa all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for

the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

vii. Inventories

Inventories are valued as follows:

a. Finished Goods are valued at lower of cost or net realisable value*.

b. Raw Materials are valued at lower of cost or net realisable value**.

c. Packing Materials are valued at cost or net realizable value**.

d. Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

viii. Employee Benefits

a. Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b. Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c. Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d. Short-term Benefits

employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

ix. Share - Based Compensation

The company recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly,compensation expense as determined on the date of the grant is amortised over the vesting period.The Company follows fair value method to calculate the value of the stock options.

x. Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

xi. Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xii. Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a. Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b. Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c. Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xiii. Revenue Recognition

a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

b Revenue in respect of export sales is recognised on shipment of products.

c Sales are recognised net of discounts, rebates and returns.

d Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

e Dividend income is recognized when the company's right to receive dividend is established.fClaims for insurance are accounted on receipts/ on acceptance of claim by insurer.

xiv Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xv. Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xvi. Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xvii. Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xviii. Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xvix. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

xvxx.Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

xvxxx. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, the ministry of Corporate Affairs (the MCA) notified the Companies (Indian Acounting Standards Amendment Rules 2018 containing Appendix B to Ind AS 21 Foreign currency transactions and advance consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in foreign currency.

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

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

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com, cs@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

NOTE 2.2 : FIRST TIME ADOPTION OF IND AS

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

The accounting policies set out in Note 2.1 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 as at April 1, 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 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 :

A) Exemptions and exceptions availed

1) Ind-AS optional exemptions :

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

a) Deemed cost

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the 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. This exemption can be also used for intangible assets covered by Ind-AS 38.

b) For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2) Ind AS mandatory exceptions :

a) Estimates

An entity 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 at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

b) Derecognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly,the Company has applied the derecognition requirement for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after date of transition to Ind AS.

c) Classification of financial assets and liabilities

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS. Accordingly, the Company has applied the above requirement prospectively.Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

d) Impairment of financial assets

Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Company has applied this exception prospectively.

B) Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND ASIV. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance sheet as at April 1, 2016 and March 31, 2017

Amount in ₹

Particulars	Foot notes	As at 31-Mar-17 (Previous GAAP)	IND AS Adjustments	As at 31-Mar-17 (IND AS)	As at 01-Apr-16 (Previous GAAP)	IND AS Adjustments	As at 01-Apr-16 (IND AS)
ASSETS							
Non - Current Assets							
Property, plant and equipment		17,90,62,467	-	17,90,62,467	18,96,91,400	-	18,96,91,400
Capital work-in-progress		5,02,56,614	-	5,02,56,614	2,10,39,692	-	2,10,39,692
Intangible assets		14,988	-	14,988	32,188	-	32,188
Financial assets							
Investments		1,92,69,000	-	1,92,69,000	1,92,69,000	-	1,92,69,000
Loans		19,45,77,074	-	19,45,77,074	16,41,24,384	-	16,41,24,384
Other financial assets	1	4,11,89,782	(2,44,80,214)	1,67,09,568	13,93,37,494	-	13,93,37,494
Deferred tax assets (net)	4	1,62,47,759	1,18,23,638	2,80,71,397	1,63,25,829	99,54,208	2,62,80,036
Other non-current assets	1	1,92,92,593	2,35,89,474	4,28,82,067	3,57,37,780	-	3,57,37,780
Total Non - Current Assets		**51,99,10,278**	**1,09,32,898**	**53,08,43,175**	**58,55,57,766**	**99,54,208**	**59,55,11,974**
Current Assets							
Inventories		33,71,91,766	-	33,71,91,766	33,67,28,198	-	33,67,28,198
Financial assets							
Investments		-	-	-	29,40,000	-	29,40,000
Trade receivables	3	42,62,84,547	(57,90,819)	42,04,93,728	40,17,70,519	(54,61,294)	39,63,09,225
Cash and cash equivalents		1,81,43,966	-	1,81,43,966	1,93,11,070	-	1,93,11,070
Other bank balances		11,83,814	-	11,83,814	18,62,637	-	18,62,637
Income Tax Assets (Net)		21,11,318	-	21,11,318	20,86,318	-	20,86,318
Other current assets		2,85,13,321	-	2,85,13,321	1,63,10,640	-	1,63,10,640
Total Current Assets		**81,34,28,732**	**(57,90,819)**	**80,76,37,913**	**78,10,09,382**	**(54,61,294)**	**77,55,48,088**
Total Assets		**1,33,33,39,010**	**51,42,079**	**1,33,84,81,089**	**1,36,65,67,148**	**44,92,914**	**1,37,10,60,061**
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		18,32,71,000	-	18,32,71,000	18,32,71,000	-	18,32,71,000
Other Equity		71,56,40,755	51,42,079	72,07,82,834	57,32,82,285	3,75,80,358	61,08,62,642
Total Equity		**89,89,11,755**	**51,42,079**	**90,40,53,834**	**75,65,53,285**	**3,75,80,358**	**79,41,33,642**
LIABILITIES							
Non - Current Liabilities							
Financial liabilities							
Borrowings		5,32,93,681	-	5,32,93,681	6,01,53,521	-	6,01,53,521
Total Non - Current Liabilities		**5,32,93,681**	**-**	**5,32,93,681**	**6,01,53,521**	**-**	**6,01,53,521**

Current Liabilities							
Financial liabilities							
Borrowings		23,35,59,607	-	23,35,59,607	34,01,43,272	-	34,01,43,272
Trade payables		8,12,41,094	-	8,12,41,094	10,25,88,228	-	10,25,88,228
Other financial liabilities	5	5,76,24,105	-	5,76,24,105	9,13,89,545	(3,30,87,444)	5,83,02,101
Other current liabilities		30,38,227	-	30,38,227	1,57,39,299	-	1,57,39,299
Income Tax Liabilities (Net)		48,75,407	-	48,75,407	-	-	-
Provisions		7,95,134	-	7,95,134	-	-	-
Total Current Liabilities		**38,11,33,574**	**-**	**38,11,33,574**	**54,98,60,344**	**(3,30,87,444)**	**51,67,72,900**
Total Equity and Liabilities		**1,33,33,39,010**	**51,42,079**	**1,33,84,81,089**	**1,36,65,67,149**	**44,92,914**	**1,37,10,60,063**

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

Amount in ₹

Particulars	Footnotes	For the period ended March 31,2017		
		Previous GAAP	IND AS Adjustment	IND AS
Revenue from operations		1,20,33,92,820	-	1,20,33,92,820
Other income	1	4,44,69,938	91,46,503	5,36,16,440
Total Income		**1,24,78,62,758**	**91,46,503**	**1,25,70,09,261**
Expenses				
Cost of Materials Consumed		44,44,43,517	-	44,44,43,517
Purchases of stock-in-trade		36,91,30,911	-	36,91,30,911
Changes in inventories of finished goods and stock in trade		1,19,16,577	-	1,19,16,577
Employee benefits expense	2	11,05,12,022	(4,56,179)	11,00,55,843
Finance costs		4,10,30,711	-	4,10,30,711
Depreciation and amortisation expense		1,66,44,051	-	1,66,44,051
Other expenses	1 & 3	10,07,21,989	1,03,66,768	11,10,88,757
Total expenses		**1,09,43,99,777**	**99,10,589**	**1,10,43,10,366**
Profit / (Loss) before tax		**15,34,62,981**	**(7,64,086)**	**15,26,98,895**
Tax expense:				
(1) Current tax		3,15,20,000	27,23,007	3,42,43,007
(2) MAT Credit (Entitlement)/Utilised	4	27,23,007	(27,23,007)	-
(3) (Excess)/Short Tax provision for earlier years		408	-	408
(4) Deferred tax	4	(26,44,936)	(17,18,480)	(43,63,416)
Total tax expenses		**3,15,98,479**	**(17,18,480)**	**2,98,79,999**
Profit for the year		**12,18,64,502**	**9,54,394**	**12,28,18,896**
Other Comprehensive Income				
Items not to be reclassified subsequently to profit or loss				
- Re-measurement gains / (losses) on defined benefits plans	2	-	(4,56,179)	(4,56,179)
- Income tax effect on above	2	-	1,50,950	1,50,950
Other Comprehensive Income for the Year,Net of tax		**-**	**(3,05,229)**	**(3,05,229)**
Total Comprehensive Income for the year		**12,18,64,502**	**6,49,165**	**12,25,13,667**

III. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017 between previous GAAP and IND AS

Amount in ₹

Particulars	Footnotes	For the year ended 31-Mar-17
Net Profit after Tax for the Period (as per Indian GAAP)		**12,18,64,502**
Rent expense on amortisation of security deposits	1	(1,00,37,243)
Interest income on amortisation of security deposits	1	91,46,503
Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income.	2	4,56,179
Provision for Expected Credit Loss on trade receivables	3	(3,29,525)
Deferred Tax impact of above adjustments	4	(51,796)
Impact of deferred tax due to indexed cost of acquisition of land	4	17,70,276
Net profit as per Ind-AS		**12,28,18,896**
Other comprehensive Income.		
Actuarial loss on Defined Benefit plans (net of tax).	2	(3,05,229)
Total Comprehensive Income as per Ind AS		**12,25,13,667**

IV. Reconciliation of Equity as at April 1, 2016 and March 31, 2017 between previous GAAP and IND AS

Amount in ₹

Particulars	Footnotes	As at 31-Mar-17	As at 1-Apr-16
Equity as per Previous GAAP		**89,89,11,755**	**75,65,53,285**
Add/(Less) :			
Rent expense on amortisation of security deposits	1	(1,00,37,243)	
Interest income on amortisation of security deposits	1	91,46,503	-
Provision for Expected Credit Loss on trade receivables	3	(57,90,819)	(38,17,991)
Deferred Tax on above adjustment	4	17,42,457	
Impact of deferred tax due to indexed cost of acquisition of leasehold land	4	1,00,81,181	83,10,904
Proposed dividend	5	-	2,74,90,650
Dividend Distribution Tax on above	5	-	55,96,794
Equity as per IND AS		**90,40,53,834**	**79,41,33,642**

Footnotes to the reconciliation of equity as at April 1, 2016 & March 31, 2017 and Statement of profit and loss for the year ended March 31, 2017

1) Security Deposit

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be initially recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid rent.

2) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to other equity through OCI.

3) Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of receivables which consists only in respect of specific amount for probable losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model.

4) Deferred Tax (Including MAT Credit)

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. This has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences.Deferred tax adjustments are recognised in correlation to the underlying transaction either in other equity or a separate component of equity.

Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will be recovered through sale and the indexation benefit at the time of disposal will be available, accordingly deferred tax asset on the difference between carrying value and indexed value has been created.

5) Proposed Dividend

Under the previous GAAP, proposed dividend including corporate dividend tax (CDT), are recognised as liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared by the Company, usually when approved by the shareholders in a general meeting, or paid.

6) Other Comprehensive Income

Under Indian GAAP, the company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

7) Statement of Cash Flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

Veto Switchgears and Cables Ltd.
Registered Office : 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West) Mumbai-400058
CIN : L31401MH2007PLC171844
Tel No. : 0141-4100400/444 Fax No. 0141-4100410 Website : www.vetoswitchgears.com
Email : info@vetoswitchgears.com

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Note 3A : Property, Plant and Equipment

A Tangible assets — **Amount in ₹**

Particulars	Leasehold Land	Factory Building	Leasehold Improvement	Plant & Machinery	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying value (at deemed cost)									
Balance as at 1 April 2016	11,86,21,732	3,86,80,805	46,46,066	8,47,42,101	31,79,162	1,08,90,236	23,24,443	2,52,22,539	**28,83,07,084**
Additions	-	-	-	58,14,395	-	1,12,053	8,850	63,000	**59,98,298**
Disposals	-	-	-	-	-	-	-	(43,914)	**(43,914)**
Balance as at 31 March 2017	**11,86,21,732**	**3,86,80,805**	**46,46,066**	**9,05,56,496**	**31,79,162**	**1,10,02,289**	**23,33,293**	**2,52,41,625**	**29,42,61,467**
Additions				60,95,569	19,385	9,50,458		47,32,601	**1,17,98,013**
Disposals								15,34,698	**15,34,698**
Balance as at 31 March 2018	**11,86,21,732**	**3,86,80,805**	**46,46,066**	**9,66,52,065**	**31,98,547**	**1,19,52,747**	**23,33,293**	**2,84,39,528**	**30,45,24,782**
Accumulated depreciation									
Balance as at 1 April 2016	10,26,294	1,92,81,562	15,79,441	5,00,41,780	23,30,045	61,66,011	19,56,164	1,62,34,386	**9,86,15,684**
Depreciation charge	1,30,523	21,12,469	15,12,007	78,78,798	3,85,256	13,22,872	2,29,209	30,55,717	**1,66,26,851**
Deletions / Adjustments	-	-	-	-	-	-	-	(43,534)	**(43,534)**
Balance as at 31 March 2017	**11,56,817**	**2,13,94,031**	**30,91,448**	**5,79,20,578**	**27,15,301**	**74,88,883**	**21,85,373**	**1,92,46,569**	**11,51,99,001**
Depreciation charge	1,30,523	18,80,122	12,21,510	72,91,670	2,08,111	11,23,734	74,965	28,61,975	**1,47,92,611**
Deletions / Adjustments								13,55,731	**13,55,731**
Balance as at 31 March 2018	**12,87,340**	**2,32,74,153**	**43,12,959**	**6,52,12,248**	**29,23,412**	**86,12,617**	**22,60,338**	**2,07,52,813**	**12,86,35,881**
									-
Net carrying value									-
Balance as at 1 April 2016	**11,75,95,438**	**1,93,99,243**	**30,66,625**	**3,47,00,321**	**8,49,117**	**47,24,224**	**3,68,279**	**89,88,153**	**18,96,91,400**
Balance as at 31 March 2017	**11,74,64,915**	**1,72,86,774**	**15,54,618**	**3,26,35,918**	**4,63,861**	**35,13,405**	**1,47,920**	**59,95,056**	**17,90,62,467**
Balance as at 31 March 2018	**11,73,34,392**	**1,54,06,652**	**3,33,107**	**3,14,39,817**	**2,75,135**	**33,40,142**	**72,955**	**76,86,714**	**17,58,88,914**

B Capital work in progress

Particulars	Office Building at Airport Plaza *	Leasehold Improvement **	Plant & Machineary ***	Total
Gross carrying value (at deemed cost)				
Balance as at 1 April 2016	2,01,58,444	79,516	8,01,732	2,10,39,692
Additions	3,00,98,170	-	3,50,735	3,04,48,905
Transferred to Fixed Assets	-	(79,516)	(11,52,467)	(12,31,983)
Balance as at 31 March 2017	**5,02,56,614**	**-**	**-**	**5,02,56,614**
Additions	2,29,68,983	-	-	2,29,68,983
Transferred to Fixed Assets	-	-	-	-
Balance as at 31 March 2018	**7,32,25,597**	**-**	**-**	**7,32,25,597**
Accumulated depreciation				
Balance as at 1 April 2016	-	-	-	-
Amortisation charge	-	-	-	-
Balance as at 31 March 2017	**-**	**-**	**-**	**-**
Amortisation charge	-	-	-	-
Amortisation charge	-	-	-	-
Balance as at 31 March 2018	-	-	-	-
Net carrying value				
Balance as at 1 April 2016	2,01,58,444	79,516	8,01,732	2,10,39,692
Balance as at 31 March 2017	5,02,56,614	-	-	5,02,56,614
Balance as at 31 March 2018	7,32,25,597	-	-	7,32,25,597

* Addition represents Interest Capatilized of Rs. 2,213,467 (March 2017: Rs. 2,519,192).
** Deletion represents amount written off during the year ended March 2017.
*** Deletion represent Amount Capatilized during the year ended March 2017.

Note 4 : Intangible assets

Amount in ₹

Particulars	Trademark	Total
Gross carrying value (at deemed cost)		
Balance as at 1 April 2016	**1,12,000**	**1,12,000**
Additions	-	-
Disposals	-	-
Balance as at 31 March 2017	**1,12,000**	**1,12,000**
Additions		-
Disposals	-	-
Balance as at 31 March 2018	**1,12,000**	**1,12,000**
Accumulated amortisation		
Balance as at 1 April 2016	**79,812**	**79,812**
Amortisation charge	17,200	17,200
Reversal on disposal of assets	-	-
Balance as at 31 March 2017	**97,012**	**97,012**
Amortisation charge	12,188	12,188
Reversal on disposal of assets	-	-
Balance as at 31 March 2018	**1,09,200**	**1,09,200**
Net carrying value		
Balance as at 1 April 2016	**32,188**	**32,188**
Balance as at 31 March 2017	**14,988**	**14,988**
Balance as at 31 March 2018	**2,800**	**2,800**

Note 5 : Investments

Amount in ₹

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non Current Investments			
I. Investments valued at deemed cost			
Investment in equity shares			
i) In subsidiaries	10,00,000	10,00,000	10,00,000
ii) In foreign subsidiaries	1,81,20,000	1,81,20,000	1,81,20,000
iii) In other companies	1,49,000	1,49,000	1,49,000
Total non-current investments	**1,92,69,000**	**1,92,69,000**	**1,92,69,000**

Note 5.1 Detailed list of non-current investments

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Nos	Amount in ₹	Nos	Amount in ₹	Nos	Amount in ₹
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated						
(Face value of ₹ 10 each, unless otherwise stated)						
a) Investments in equity shares:						
i) In subsidiaries						
Veto Electricals Private Limited	1,00,000	10,00,000	1,00,000	10,00,000	1,00,000	10,00,000
		10,00,000		**10,00,000**		**10,00,000**
ii) In foreign subsidiaries						
Veto Overseas Private FZE (face value of 1 AED each, fully paid up)	10,00,000	1,81,20,000	10,00,000	1,81,20,000	10,00,000	1,81,20,000
		1,81,20,000		**1,81,20,000**		**1,81,20,000**
iii) In other companies						
Veto Lightings Private Limited	5,100	51,000	5,100	51,000	5,100	51,000
Vankon Switchgears and Cables Private Limited	9,800	98,000	9,800	98,000	9,800	98,000
		1,49,000		**1,49,000**		**1,49,000**
Total non-current investments		**1,92,69,000**		**1,92,69,000**		**1,92,69,000**

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Aggregate of non-current investments:			
Book value of investments	1,92,69,000	1,92,69,000	1,92,69,000
Investments carried at deemed cost	1,92,69,000	1,92,69,000	1,92,69,000
Investments carried at fair value through profit and loss	-	-	-

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Current Investments			
I. Investments carried at fair value through profit and loss			
Investment in equity shares			
i) In other companies	-	-	29,40,000
Total current investments	**-**	**-**	**29,40,000**

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Aggregate of current investments:			
Book value of investments	-	-	54,49,110
Investments carried at deemed cost	-	-	
Investments carried at fair value through profit and loss	-	-	29,40,000

Note 6 : Loans

(Unsecured)

Amount in ₹

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non-current			
Considered good			
Loans and advances to related parties (Refer note 34)			
- to subsidiary companies	40,91,03,474	19,45,77,074	16,41,24,384
Total non-current loans	**40,91,03,474**	**19,45,77,074**	**16,41,24,384**

Note 7 : Other financial assets

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non-current			
Deposits	1,01,30,213	65,61,460	13,12,94,795
Other non current financial asset	74,67,213	81,58,597	69,28,181
Margin money deposits with original maturity of more than 12 months	1,04,523	19,89,511	11,14,518
Total Non - Current Other financial assets	**1,77,01,950**	**1,67,09,568**	**13,93,37,494**

Note 8 : Deferred tax assets (net)

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deferred income tax asset			
Property, Plant and Equipments	1,97,48,960	1,66,53,275	1,39,74,598
Provision for doubtful financial assets	81,31,448	57,78,771	43,43,473
Provision for employee benefits	6,50,297	2,63,110	-
Deferred tax assets	**2,85,30,705**	**2,26,95,156**	**1,83,18,071**
Deferred income tax liabilities			
Provision for employee benefits	-	-	1,37,282
Deferred tax liabilities	**-**	**-**	**1,37,282**
Deferred tax assets (net)	**2,85,30,705**	**2,26,95,156**	**1,81,80,790**

Movement in Deferred Tax (Assets)/Liabilities

Particulars	Property, Plant and Equipment	Provision for doubtful financial assets	Provision for employee benefits	Total
At April 1, 2016	**1,39,74,598**	**43,43,473**	**(1,37,282)**	**1,81,80,790**
Charged / (credited)				
– to Statement of Profit and Loss	26,78,677	14,35,298	2,49,441	43,63,416
– to other comprehensive income	-	-	1,50,950	1,50,950
At March 31, 2017	**1,66,53,275**	**57,78,771**	**2,63,110**	**2,26,95,156**
Charged / (credited)				
– to Statement of Profit and Loss	30,95,684	23,52,677	11,93,445	66,41,806
– to other comprehensive income	-	-	(8,06,257)	(8,06,257)
At March 31, 2018	**1,97,48,960**	**81,31,448**	**6,50,297**	**2,85,30,705**

Note 9 : Other assets

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non-current			
(Unsecured)			
Capital advances	12,05,933	1,92,92,593	3,57,37,780
Prepaid expenses	-	2,35,89,474	-
Total other non-current assets	**12,05,933**	**4,28,82,067**	**3,57,37,780**
Current			
(Unsecured)			
Advances to Suppilers	2,84,19,660	2,08,55,719	87,35,809
Prepaid expenses	2,78,542	3,59,544	3,02,955
Advance recoverable other than in cash	4,36,33,985	72,98,058	72,71,877
Balance with Government Authorities	93,08,244	-	-
Total other current assets	**8,16,40,432**	**2,85,13,321**	**1,63,10,641**
Total other assets	**8,28,46,365**	**7,13,95,388**	**5,20,48,421**

Note 10 : Inventories

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw materials	10,88,90,575	14,49,52,600	13,25,89,534
Finished goods	12,06,64,341	7,30,10,719	7,22,23,139
Stock in trade	18,67,75,249	11,00,60,476	12,27,64,633
Packing materials	1,65,44,070	91,67,970	91,50,892
Total Inventories	**43,28,74,235**	**33,71,91,765**	**33,67,28,198**

Note 11 : Trade receivables

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured			
- considered good	55,08,93,895	42,62,84,547	40,17,70,519
- considered doubtful	1,21,97,987	1,21,97,987	58,13,189
	56,30,91,882	43,84,82,534	40,75,83,708
Less: Provision for doubtful debts	(1,21,97,987)	(1,21,97,987)	(58,13,189)
Less: Provision for expected credit loss	(1,12,97,876)	(57,90,819)	(54,61,294)
Total trade receivables	**53,95,96,019**	**42,04,93,728**	**39,63,09,225**

Note 12 : Cash and cash equivalents

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks			
- Current accounts in Indian rupees	1,85,70,639	1,77,14,011	1,74,75,516
Cash on hand	15,04,973	4,29,960	18,35,555
Total cash and cash equivalents	**2,00,75,612**	**1,81,43,971**	**1,93,11,071**

Note 13 : Other bank balances

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Earmarked balances with banks for:			
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	34,83,744	11,83,814	18,62,637
Total other bank balances	**34,83,744**	**11,83,814**	**18,62,637**

Notes:

a) Fixed deposit with original maturity of more than three months but remaining maturity ofl ess than twelve months have been disclosed under other bank balances.

Note 14 : Income Tax Assets (Net)

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance income tax and TDS (Net of provision)	-	74,87,558	1,01,85,565
Net income tax assets	**-**	**74,87,558**	**1,01,85,565**

(a) Income Tax Expense

Particulars	2017-18	2016-17
Current tax expense (A)		
Current year	10,45,76,240	3,42,43,007
Short/(Excess) provision of earlier years	3,73,336	408
	10,49,49,576	3,42,43,415
Deferred tax expense (B)		
Origination and reversal of temporary differences	(66,41,806)	(43,63,416)
	(66,41,806)	(43,63,416)
Tax expense recognised in the income statement (A+B)	9,83,07,770	2,98,79,999

(b) Amounts recognised in other comprehensive income

Particulars	2017-18			2016-17		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	23,29,683	8,06,257	15,23,426	(4,56,179)	(1,50,950)	(3,05,229)
Total	23,29,683	8,06,257	15,23,426	(4,56,179)	(1,50,950)	(3,05,229)

(c) Reconciliation of effective Tax Rate

Particulars	2017-18	2016-17
Profit before tax	29,76,15,858	15,26,98,895
Tax using the Company's domestic tax rate (Current year 34.608% and Previous Year 34.608%)	10,29,98,896	5,28,46,033
Tax effect of :		
Tax effect on non-deductible expenses	25,02,281	3,67,638
Tax effect of Other Income	(75,66,743)	(2,33,34,081)
Others	-	-
Adjustments recognised in current year in relation to the current tax of prior years	3,73,336	408
	9,83,07,770	2,98,79,999
Tax expense as per Statement of Profit & Loss	9,83,07,770	2,98,79,999
Effective tax rate	33.032%	19.568%

Note 15A : Share capital

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised share capital			
2,50,00,000 equity shares of ₹ 10/- each (31 March 2017 : 2,00,00,000 equity shares of ₹ 10/- each) (01 April 2016 : 2,00,00,000 equity shares of ₹ 10/- each)	25,00,00,000	20,00,00,000	20,00,00,000
Total authorised share capital	**25,00,00,000**	**20,00,00,000**	**20,00,00,000**
Issued, subscribed and paid-up equity share capital:			
1,83,27,100 equity shares of ₹ 10/- each Fully paid up (31 March 2017 : 1,83,27,100 equity shares of ₹ 10/- each Fully paid up) (01 April 2016 : 1,83,27,100 equity shares of ₹ 10/- each Fully paid up)	18,32,71,000	18,32,71,000	18,32,71,000
Total issued, subscribed and paid-up equity share capital	**18,32,71,000**	**18,32,71,000**	**18,32,71,000**

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	Amount in ₹
As at 1 April 2016	1,83,27,100	18,32,71,000
Issued during the year	-	-
As at 31 March 2017	1,83,27,100	18,32,71,000
Issued during the year	-	-
As at 31 March 2018	**1,83,27,100**	**18,32,71,000**

b. Terms/rights attached to equity shares:

i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

ii) The Company declare and pays dividend in Indian Rupees. Each equity shareholder has the same right of dividend.

iii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Shares held by holding / ultimate holding company and/or their subsidiaries / associates :

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	38.91%	71,30,704	49.93%	91,50,704	58.11%	1,06,50,704

d. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Veto Electropowers (India) Private Limited	38.91%	71,30,704	49.93%	91,50,704	58.11%	1,06,50,704
Akshay Gurnani	0.59%	1,08,867	0.59%	1,08,867	5.97%	10,94,867

e) Shares reserved for issue under Stock Option

7,91,955 (March 31, 2017: 8,16,355) (April 01, 2016: NIL) equity shares are reserved for the issue under Employees Stock Option Plan (ESOP) of the Company.

f) Issue of Share Warrants

During the year, the Company had made a preferential issue of 45,00,000 Convertible Warrants of Rs. 10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

g) Increase in Authorized Capital

The Company has Increase in Authorised Share Capital from Rs. 20,00,00,000/- divided in to 2,00,00,000 equity share of Rs. 10/- each to Rs. 25,00,00,000/- divided in to 2,50,00,000 equity share of Rs. 10/- each. Vide resolution passed in Extraordinary General Meeting held on 31st May, 2017.

Note 15B : Other equity

Amount in ₹

Particulars	Reserves and surplus				Items of Other comprehensive income	Money Received against Share Warrants	Total equity attributable to equity holders
	Securities premium reserve	Employee Stock Option Outstanding Account	Retained earnings	Foreign Currency Translation Reserves	Gain / (loss) on fair value of defined benefit plans		
As at 1 April 2016	**15,94,71,817**		**45,39,07,860**	**(25,17,035)**	-	-	**61,08,62,642**
Profit/(Loss) for the year (a)	-	-	12,28,18,896	-	-	-	12,28,18,896
Other comprehensive income (b)	-	-	-		(3,05,229)	-	(3,05,229)
Total comprehensive income for the year (a+b)	**-**	**-**	**12,28,18,896**		**(3,05,229)**	**-**	**12,25,13,667**
Adddition during the Year	-	4,52,56,260	-	(29,74,389)	-	-	**4,22,81,871**
Less : Appropriations :							
Interim Dividend	-	-	1,83,27,100	-	-	-	**1,83,27,100**
Dividend Distribution Tax	-	-	90,57,594	-	-	-	**90,57,594**
Proposed Dividend	-	-	2,74,90,650	-	-	-	**2,74,90,650**
As at 31 March 2017	**15,94,71,817**	**4,52,56,260**	**52,18,51,412**	**(54,91,424)**	**(3,05,229)**	**-**	**72,07,82,837**
Profit/(Loss) for the year	-	-	19,93,08,088	-	-	-	**19,93,08,088**
Other comprehensive income	-	-	-	-	15,23,426	-	**15,23,426**
Total comprehensive income for the year (a+b)	**-**	**-**	**19,93,08,088**		**15,23,426**	**-**	**20,08,31,514**
Adddition during the Year	-	59,41,225	-	11,00,846	-	19,12,50,000	**19,82,92,071**
Less : Appropriations :							
Interim Dividend	-	-	1,83,27,100	-	-	-	**1,83,27,100**
Dividend Distribution Tax	-	-	37,09,651	-	-	-	**37,09,651**
As at 31 March 2018	**15,94,71,817**	**5,11,97,485**	**69,91,22,749**	**(43,90,577)**	**12,18,197**	**19,12,50,000**	**1,09,78,69,671**

Description of nature and purpose of reserve

Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Employee Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Foreign Currency Translation Reserves

Foreign Currency Translation Reserves represents the exchange difference recognised on the long term loan and advances given to it wholly owned foreign subsidary.

(Gain / (loss) on fair value of defined benefit plans)

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

Money Received against Share Warrants

Money received on share warrants represents amount received on preferential issue of 45,00,000 Convertible Warrants of Rs. 10 each at a premium of Rs 160 per warrant and in accordance with SEBI guidelines the company has received 25 % upfront money amounting to Rs.19,12,50,000. The warrants can be exercised at anytime within a period of 18 months.

Note 16 : Borrowings

Particular	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non current			
Secured			
Term loan from bank	4,98,94,703	7,17,01,976	7,63,75,935
Less: Current maturities of long term debt	2,00,00,000	2,00,00,000	2,00,00,000
	2,98,94,703	5,17,01,976	5,63,75,935
Hire purchase loans from banks	52,78,773	37,46,536	61,33,208
Less: Current maturities of long term debt	26,63,291	21,54,831	23,55,623
	26,15,481	15,91,705	37,77,586
Total non-current borrowings	**3,25,10,184**	**5,32,93,681**	**6,01,53,521**
Current			
Secured			
Cash Credit Facility from banks	32,14,23,158	23,35,59,607	34,01,43,272
Total current borrowings	**32,14,23,158**	**23,35,59,607**	**34,01,43,272**
Total borrowings	**35,39,33,342**	**28,68,53,288**	**40,02,96,793**

Note:

a) Term loan amounting to Rs. 4,98,94,703 (March 31, 2017: Rs. 7,17,01,976) (April 01, 2016: Rs. 7,63,75,935) from Indian Overseas Bank carries interest of Base Rate + 2% p.a. The loan is repayable in 20 Quarterly instalments along with interest starting from June, 2016. The loan is primarily secured by way of equitable mortgage of land and building of Corporate office under construction and collateral security of factory land and building of the Company, land and building of M/s. vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited (formerly Holding Company).

b) Hire Purchase Loans amounting to Rs. 52,78,773 (PY Rs. 37,46,536) from various banks and financial institutions are secured by hypothecation of respective vehicle financed. The loans carries interest @ 8.50% to 11% p.a. The loan is repayable in 36 to 60 equal monthly instalments.

c) Cash credit facility amounting to Rs. 32,14,23,158 (March 31, 2017: Rs. 23,35,59,607) (April 01, 2016: Rs. 34,01,43,272) from Indian overseas bank carries interest rate of base rate + 1.75% p.a. The loan is secured by way of 1st charge on entire current assets of the Company and collateral security of factory land and building of the Company, land and building of M/s. Vimal Power Cables Private Limited, hypothecation of fixed assets (excluding land and building and vehicles) of the Company, personal guarantee of two director and two promoters and corporate guarantee of Vimal Power cables Private Limited and Veto Electropowers (India) Private Limited (Formerly Holding Company).

Note 17 : Trade payables

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note below)	4,12,840	4,17,160	1,89,485
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	7,20,68,471	8,08,23,934	10,23,98,743
Total trade payables	**7,24,81,311**	**8,12,41,094**	**10,25,88,228**

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2018.

The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Principal amount due to suppliers under MSMED Act	4,12,840	4,17,160	1,89,485
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-	-
Interest paid to suppliers under MSMED Act	-	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-	-

Note: This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

Note 18 : Other financial liabilities

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Current maturities of long term borrowings (Refer note 16)	2,26,63,291	2,21,54,831	2,23,55,623
Trade Deposits	73,51,259	73,76,259	89,26,833
Salary & Wages Payable	49,72,506	49,34,553	46,04,070
Duties & taxes payable	15,35,794	1,68,32,458	1,65,34,057
Expense Payable	91,654	59,33,663	58,81,216
Tax on Proposed Dividend	-	-	302
Unpaid Dividend	5,19,901	3,92,341	-
Total current financial liabilities	**3,71,34,406**	**5,76,24,105**	**5,83,02,101**
Total other financial liabilities	**3,71,34,406**	**5,76,24,105**	**5,83,02,101**

Note 19 : Other current liabilities

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Advance from Customers	20,99,588	17,96,656	1,46,58,860
Provision for Warranty	13,95,872	12,41,571	10,80,439
Total other current liabilities	**34,95,461**	**30,38,227**	**1,57,39,299**
Total other liabilities	**34,95,461**	**30,38,227**	**1,57,39,299**

Provision for warranties

A provision is recognised for expected warranty claims on products sold during the years, based on past experience of the level of repairs and returns. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns based warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
At the beginning of the year	12,41,571	10,80,439	7,54,500
Arising during the year	1,54,301	1,61,132	3,25,939
Utilised during the year	-	-	-
Unused amount reversed	-	-	-
At the end of the year	**13,95,872**	**12,41,571**	**10,80,439**

Note 20 : Income Tax Liabilities (Net)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for income Tax (Net of Advance Tax and TDS)	5,25,34,185	48,75,407	-
Net income tax liabilities	**5,25,34,185**	**48,75,407**	**-**

Note 21 : Provisions

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current			
Provision for employee benefits (Refer note 33)			
- Gratuity	18,79,038	7,95,134	-
Total current provisions	**18,79,038**	**7,95,134**	**-**
Total provisions	**18,79,038**	**7,95,134**	**-**

Note 22 : Revenue from operations

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Sale of Products	1,23,69,59,201	1,20,30,42,099
Other operating revenue		
Foreign Exchange Fluctuation Gain	9,74,102	-
Scrap Sale	73,786	3,50,721
Total Revenue from Operations	**1,23,80,07,089**	**1,20,33,92,820**

Note 23 : Other income

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest income		
- on loans to wholly owned subsidiary	2,83,88,551	1,71,62,270
- on margin money deposits	2,33,505	2,16,271
- amortisation of security deposits	2,72,667	91,46,503
Profit on sale of current investments	-	3,94,309
Dividend received from wholly owned foreign subsidiary	2,14,38,111	2,00,00,000
Profit on sale of property, plant and equipment (net)	4,26,033	12,620
Subsidy received	-	27,30,609
Reversal of Diminution in Value of Investments	-	23,10,000
Miscellaneous income	76,10,360	16,43,859
Total other income	**5,83,69,228**	**5,36,16,440**

Note 24 : Cost of Materials Consumed

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Opening stock	14,49,52,600	13,25,89,534
Add: Purchases	43,67,88,837	45,68,06,583
	58,17,41,437	58,93,96,117
Less: Closing stocks	10,88,90,575	14,49,52,600
Total Cost of Materials Consumed	**47,28,50,863**	**44,44,43,517**

Note 25 : Purchases of stock-in-trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Purchase	42,01,08,045	36,91,30,911
Total Purchases of stock-in-trade	**42,01,08,045**	**36,91,30,911**

Note 26 : Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Finished goods		
Opening stock		
- Accessories	4,14,00,980	4,47,58,002
- Wires	3,16,09,739	2,74,65,137
	7,30,10,719	**7,22,23,139**
Closing stock		
- Accessories	5,00,16,916	4,14,00,980
- Wires	7,06,47,425	3,16,09,739
	12,06,64,341	**7,30,10,719**
Changes in inventories of finished goods (A)	**4,76,53,622**	**7,87,580**
Stock in trade		
Opening stock		
- Accessories & Others	1,64,94,879	1,61,62,633
- Wire & Cables	70,72,480	90,73,366
- Lighting & Fittings	8,64,93,117	9,75,28,634
	11,00,60,476	**12,27,64,633**
Closing stock		
- Accessories & Others	3,49,40,059	1,64,94,879
- Wire & Cables	1,86,76,307	70,72,480
- Lighting & Fittings	13,31,58,882	8,64,93,117
	18,67,75,248	**11,00,60,476**
Changes in inventories of stock in trade (B)	**7,67,14,772**	**(1,27,04,157)**
Total Changes in inventories of finished goods and stock in trade (A+B)	**12,43,68,394**	**(1,19,16,577)**

Note 27 : Employee benefits expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Salaries and wages	5,68,42,576	5,50,51,880
Directors Remuneration	33,00,000	26,87,142
Employee Stock Option Compensation Expense	59,41,225	4,52,56,260
Gratuity (Refer note 34A)	30,35,317	13,26,086
Contribution to provident and other funds (Refer note 34B)	51,00,738	45,47,464
Staff welfare	13,12,378	11,87,011
Total employee benefits expense	**7,55,32,234**	**11,00,55,843**

Note 28 : Finance costs

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Interest on:		
- Loan from banks	2,24,68,219	3,92,23,470
- Other Interest	24,526	8,44,504
Other Borrowing Cost	49,05,575	9,62,737
Total finance costs	**2,73,98,321**	**4,10,30,711**

Note 29 : Depreciation and amortisation expense

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation on tangible assets	1,47,92,611	1,66,26,851
Amortisation on intangible assets	12,188	17,200
Total depreciation and amortisation expense	**1,48,04,799**	**1,66,44,051**

Note 30 : Other expenses

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Manufacturing expenses		
Consumption of :		
- Consumable & stores	5,29,722	1,55,842
- Power & fuel	78,34,396	74,02,445
Job Charges	60,34,171	65,58,144
Repairs & Maintenance :		
- Plant & machinery	16,36,674	18,35,390
- Factory building	28,320	54,015
Freight & transportation	20,60,763	23,70,318
Other factory expenses	20,30,123	12,42,005
	2,01,54,168	**1,96,18,158**
Administration, Selling and Distribution expenses		
Rent	26,00,083	1,20,01,924
Insurance	11,38,362	11,66,853
Rates & taxes	2,78,149	7,08,479
Repairs & maintenance	27,39,906	14,49,707
Legal and professional fees	44,53,684	33,38,620

Auditor's remuneration *	4,15,000	9,33,073
Travelling & conveyance	72,67,563	82,57,710
Communication costs	13,88,373	20,11,251
Printing & stationery	7,78,314	5,74,175
Water & electricity charges	15,62,005	15,96,391
Commision	49,38,542	44,75,633
Packing material consumed	1,85,54,884	2,42,74,129
Advertising & sales promotion	1,01,89,934	71,49,255
Provision for doubtful debt	-	63,84,798
Transportation, freight & handling charges	1,80,14,234	1,20,98,820
Expendture on CSR activities (Refer note 39)	13,55,632	9,08,480
Provision for expected credit loss	55,07,057	3,29,525
Provison for Warranties	1,54,301	1,61,132
Miscellaneous expenses	53,72,506	36,50,645
Total other expenses	**10,68,62,698**	**11,10,88,757**
*** Auditors' remuneration:**		
i) Audit fees	3,75,000	3,92,150
ii) Taxation Matters	-	3,51,565
ii) Other Services	40,000	1,89,358
	4,15,000	**9,33,073**

Note 31 : Earnings per share (EPS)

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	Amount in ₹	19,93,08,088	12,28,18,896
Weighted average number of equity shares for calculating Basic EPS	(Nos.)	1,83,27,100	1,83,27,100
Weighted Average Potential Equity Shares	(Nos.)	6,05,023	4,20,227
Total Weighted Average number of Equity Shares used for calculating Diluted EPS	(Nos.)	1,89,32,123	1,87,47,327
Basic EPS	(Rs.)	10.88	6.70
Diluted EPS	(Rs.)	10.53	6.55

Note 32 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions,Contingent Liabilities and Contingent Assets" are given below:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I) Claims not acknowledged as Debts :			
Disputed liability in respect of Central Sales tax	-	-	6,60,367
II) Guarantees			
Bank Guarantee	11,40,243	20,97,000	94,97,000
III) Other money for which the company is contingently liable			
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance)	-	99,31,310	3,07,14,526
	11,40,243	**1,20,28,310**	**4,08,71,893**

Note 33 : Investment in subsidiaries, associates and joint ventures

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements".

(b) The Company's investments in direct subsidiaries are as under :

Name of the subsidiaries	Country of incorporation	Portion of ownership interest as at 31 March 2018	Portion of ownership interest as at 31 March 2017	Portion of ownership interest as at 01 April 2016	Method used to account for the investment
Veto Electricals Private Limited	India	100%	100%	100%	At Cost
Veto Overseas Private FZE	Dubai	100%	100%	100%	At Cost

Note 34 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A Defined benefit obligations - Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.The obligation for leave encashment is recognised in the same manner as gratuity.

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	53,27,505	39,08,596
Past service cost	20,878	-
Service cost	30,14,703	13,34,076
Interest cost	3,62,570	3,02,723
Actuarial loss / (gain)	(24,75,944)	4,83,514
Liabilities transferred in / (out)	-	-
Liabilities transferred out/Divestment	-	-
Benefits paid	(2,20,452)	(7,01,404)
Present value of obligation as at the end of the year	**60,29,260**	**53,27,505**
b) Changes in Plan Assets		
Opening value of plan assets	**45,32,371**	**43,31,717**
Interest Income	3,62,834	3,10,713
Return on plan assets excluding amounts included in interest income	(1,46,261)	27,335
Contributions by employer	-	1,02,029
Benefits paid	(5,98,722)	(2,39,423)
Closing value of plan assets	**41,50,222**	**45,32,371**
c) The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	60,29,260	53,27,505
Fair Value of plan assets as at the end of the year	41,50,222	45,32,371
Net (assets) / liability recognised in balance sheet	**18,79,038**	**7,95,134**
d) Expenses recognised in the Statement of Profit and Loss		
Service cost	30,14,703	13,34,076
Past service cost	20,878	-
Net Interest Cost	(264)	(7,990)
Total	**30,35,317**	**13,26,086**
e) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	(1,85,848)	3,58,654
Actuarial changes arising from changes in demographic assumptions	-	-
Due to experience adjustments	(22,90,396)	1,24,860
Return on plan assets excluding amount included in interest income	1,46,261	(27,335)
Total	**(23,29,983)**	**4,56,179**

f) Actuarial assumptions	31st March 2018	31st March 2017	1st April 2016
Discount rate	7.60% p.a.	7.15% p.a.	7.80% p.a.
Normal retirement age (in years)	58	58	58
Salary escalation rate (% p.a.) *	7% p.a.	7% p.a.	7% p.a.
Attrition rate	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant

g) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31st March 2018	31st March 2017
	0.5 % increase	
i. Discount rate	52,37,220	51,32,951
	-3.56%	-3.65%
	0.5 % increase	
ii. Salary escalation rate	56,36,610	55,34,954
	3.79%	3.89%
	10% increase	
iii. Attrition rate	53,89,397	52,58,488
	-0.76%	-1.30%
	0.5 % decrease	
i. Discount rate	56,37,439	55,36,125
	3.81%	3.92%
	0.5 % decrease	
ii. Salary escalation rate	52,36,102	51,32,142
	-3.58%	-3.67%
	10% decrease	
iii. Attrition rate	54,70,753	53,98,585
	0.74%	1.33%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Note 34 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

h) Maturity analysis of defined benefit obligation		
1st Following Year	5,33,208	5,13,204.00
2nd Following Year	5,40,806	4,66,690.00
3 rd Following Year	5,37,799	5,51,300.00
4th Following Year	5,57,424	5,55,107.00
5th Following Year	5,80,611	5,62,010.00
Sum of Year 6 to 10 Year	27,10,171	24,97,787.00
Total expected payments	**54,60,019**	**51,46,098.00**

B Defined contribution plans

a) The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	34,04,123.00	29,69,944.00
(ii) Contribution to ESIC	16,96,615.00	15,77,520.00
	51,00,738.00	**45,47,464.00**

Note 35 : Segment reporting as required under Indian Accounting Standard 108, "Operating Segments"

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments

(a) Wire and Cables (b) Lighting & Fittings (c) Accessories & Others

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of inventory.Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(a) Summary of segment Information as at and for the year ended 31st March,2018 and 31st March,2017 is as follows:

Amount in ₹

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Segment Revenue		
Wire & Cables	56,15,25,749	57,96,98,800
Lighting & Fittings	32,52,43,788	28,16,30,707
Accessories & Others	35,12,35,664	34,20,62,592
Total Revenue	**1,23,80,05,201**	**1,20,33,92,099**
Segment Results		
Wire & Cables	14,00,80,971	15,59,91,420
Lighting & Fittings	8,54,67,172	4,67,96,326
Accessories & Others	15,45,56,327	10,67,95,351
	38,01,04,470	**30,95,83,097**
Less : Unallocable Expenses	(9,63,23,479)	(14,41,37,015)
Less : Depreciation	(1,48,06,302)	(1,66,44,051)
Operating Profit	**26,89,74,688**	**14,88,02,031**
Less : Finance Cost	(2,73,98,321)	(4,10,30,711)
Add : Other Income	5,83,69,000	4,44,69,659
Profit Before Tax & Exceptional Items	**29,99,45,367**	**15,22,40,979**
Less : Exceptional Expenses	-	-
Profit Before Tax	**29,99,45,367**	**15,22,40,979**
Less : Tax expense (Net)	(9,91,14,027)	(2,97,29,049)
Profit After Tax	**20,08,31,340**	**12,25,11,930**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Segments Assets			
Wire & Cables	12,26,50,407	12,71,57,427	7,41,90,816
Lighting & Fittings	13,31,58,882	8,64,93,117	9,75,28,634
Accessories & Others	16,05,20,875	11,43,73,252	5,83,98,720
Unallocated	1,38,62,68,249	1,01,04,57,296	1,14,09,41,893
	1,80,25,98,414	**1,33,84,81,092**	**1,37,10,60,063**
Segments Liabilities			
Wire & Cables	56,29,452	82,83,552	-
Lighting & Fittings	1,72,12,838	2,61,38,844	-
Accessories & Others	3,60,58,685	3,37,08,302	-
Unallocated	46,25,56,768	36,62,96,557	57,69,26,421
	52,14,57,743	**43,44,27,255**	**57,69,26,421**

Note 36 : Related party disclosures as required under Indian Accounting Standard 18, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Nature of relationship	Nature of the party
A) Key Management Personnel (KMP)	
Akshay Gurnani	Managing Director
Naraindas Gurnani	Whole time Director & Chief Financial Officer (From 24.05.2016)
Dinesh Gurnani	Whole time Director & Chief Financial Officer (Upto 23.05.2016)
Jyoti Gurnani	Director
Ms. Chavi Rawat	Company Secretary (Upto 09.02.2016)
Ms. Shilpi Keshwani	Company Secretary (From 05.03.2016)
B) Holding Company	Veto Electropower (India) Private Limited (Upto 14-07-2016)
C) Ultimate Holding Company	Gurnani Holdings Private Limited (Upto 14-07-2016)
D) Subsidiary Companies	Veto Electricals Private Limited Veto Overseas Private FZE
E) Entities in which KMP and their relatives have significant influence	Pinkcity Buildhome Private Limited Pink Square Real Estate Private Limited Tulsi Palace Resort Private Limited

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year ended March 31, 2018	Year ended March 31, 2017
Akshay Gurnani	Remuneration	15,00,000	15,00,000
	Sales (Net)	10,380	21,327
	ESOP Granted	-	6,69,855 (in Nos.)
Dinesh Gurnani	Remuneration	-	1,20,000
	Sales (Net)	10,350	-
Naraindas Gurnani	Remuneration	12,00,000	4,67,142
Shilpi Keshwani	Remuneration	2,92,305	2,49,852
Jyoti Gurnani	Remuneration	6,00,000	6,00,000
	Advance Remuneration	1,03,313	-
	ESOP Granted	-	900 (in Nos.)
Veto Electricals Pvt. Ltd.	Sales (Net)	18,182	1,51,519
	Interest Income	1,00,49,100	30,33,382
	Advance Granted	10,31,50,000	1,66,39,301
	Loan Received Back	1,80,00,000	-
Pinkcity Buildhome Private Limited	Sales (Net)	2,69,133	90,216
	Service Taken	2,70,587	47,237
	Loan Granted	-	13,50,000
	Loan Received Back	-	13,50,000
Veto Electropower (India) Private Limited	Sales (Net)	-	3,168
	Loan Taken	-	2,60,01,823
	Loan Repaid	-	2,60,01,823
Veto Overseas FZE	Loan Granted	10,12,18,246	-
	Interest Income	1,80,13,117	1,34,17,354
Pink Square Real Estate Private Limited	Sales (Net)	338	90,537
Anjali Packaging	Sales (Net)	46,592	87,041

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Akshay Gurnani	Remuneration Payable	85,000	1,05,000	1,05,000
	Trade Recievables	44,681	32,562	11,235
	ESOP Outstanding	6,69,855(in Nos.)	6,69,855(in Nos.)	-
Dinesh Gurani	Remuneration Payable	-	-	56,500
Naraindas Gurnani	Remuneration Payable	1,00,000	85,000	-
Shilpi Keshwani	Remuneration Payable	38,950	32,824	15,262
Jyoti Gurnani	Remuneration Payable	-	50,000	46,000
	Advance Remuneration	1,03,313	-	-
	ESOP Outstanding	900 (in Nos.)	900 (in Nos.)	-
Pinkcity Buildhome Private Limited	Other Payables	-	4,591	59,852
	Trade Recievables	93,689	-	-
Tulsi Palace Resort Pvt. Ltd. Jaip	Trade Recievables	6,07,089	64,251	22,174
Veto Electrical Private Limited	Loans Receivable	14,41,54,760	4,99,60,570	2,99,50,845
	Trade Recievables	19,838	-	-
Veto Overseas FZE	Loans Receivable	26,49,48,713	14,46,16,504	13,41,73,539

Note 37 : Disclosure with regards to section 186 of the Companies Act, 2013

a) For interest expense refer note no. 36

b) During the year, the Company has granted Unsecured loan to its Subsidiary Companies for General Corporate Purposes. Details as stated below :

Amount in ₹

Name of the Subsidiary	Opening Balance	Loan Given During the year	Closing Balance	Interest Rate
Veto Electricals Private Limited	4,99,60,570	10,31,50,000	14,41,54,760	10.00%
Veto Overseas FZE	14,46,16,504	10,12,18,246	26,49,48,713	10.00%
TOTAL	**19,45,77,074**	**20,43,68,246**	**40,91,03,473**	

Note 38 : Disclosure with regards to regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

Amount of Loans & Advances in nature of loans outstanding from subsidiaries as at 31st March, 2018 :

Amount in ₹

Name of the Subsidiary	Closing Balance	Maximum Outstanding
Veto Electricals Private Limited	14,41,54,760	14,41,54,760
Veto Overseas FZE	26,49,48,713	26,49,48,713

Note 39 : Expenditure on Corporate Social Responsibility Activities

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act,2013.

Details of CSR Expenditure:

a) Gross amount required to be spent by the Company during the year.

Amount in ₹

Particulars	As at 31st March 2018	As at 31st March 2017
Amount required to be spent by the Company	23,34,767	18,95,890
	23,34,767	18,95,890

b) Amount sent during the year.

b) A Amount in ₹

Particulars	Amount Spent		Amount yet to be Spent		Total	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Contibution to Trust	13,30,432	9,08,480	9,79,135	9,87,410	23,09,567	18,95,890
For the Welfare of Widows	25,200	-	-	-	25,200	-
	13,55,632	9,08,480	9,79,135	9,87,410	23,34,767	18,95,890

Note 40 : Share Base Payment

Veto Switchgears and Cables Limited Employees stock option plan ('ESOP') 2015

The Board of Directors of the Company in their meeting held on 23rd July, 2015 and the shareholders of the Company in their general meeting held on 26th August, 2015 have approved the ESOP 2015 ('the Scheme'), which covers the employees of the Company and the its subsidiaries, if any, but excludes promoters and directors directly or indirectly holding 10% of the issued and subscribed shares of the Company. The Scheme is administered and supervised by the Compensation Committee of the Company. Each option shall entitle the holder of option to one equity share on vesting of the option as per the terms and conditions of the scheme.

During the period upto March 31, 2018, the Company has granted options on the following dates:

Grant date	No of options
23-May-16	9,16,355
Total	**9,16,355**

The Options shall vest in 1 year from the date of Grant. The exercise period shall be 3 years after vesting period. As per the scheme, the exercise price is determined by the Compensation Committee. The fair value of the option is determined at the Market Price based on latest available closing price on a recognised stock exchange on the date immediately prior to the grant date expected forfeiture rate is assumed to be 1%.

Particulars	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Number of options	Weighted Average Exercise price	Number of options	Weighted Average Exercise price
Outstanding at beginning of the year	8,16,355	50.00	9,16,355	50.00
Granted during the year	-	-	-	-
Forfeited during the year	24,400	50.00	1,00,000	50.00
Exercised during the year	Not Applicable		Not Applicable	
Outstanding at the end of the year	7,91,955	50.00	8,16,355	50.00
Vested and exercisable at the end of the year	7,91,955	-	-	-

Disclosure related to stock options outstanding at year end

Name of the Plan	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise price
Veto Switchgears and Cables Limited Employees stock option plan	50.00	7,91,955	2.11 Years	50.00

Expenses Arising from share based payment transactions

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Employee share based payment expense	59,41,225	4,52,56,260

Note 41: Fair Value Measurement

(i) Financial instruments by category

Amount in ₹

Particulars	Refer note	31st March 2018				31st March 2017				01st April 2016			
		Carring Amount	FVPL	FVOCI	Amortised Cost	Carring Amount	FVPL	FVOCI	Amortised Cost	Carring Amount	FVPL	FVOCI	Amortised Cost
Financial Assets:													
Investments													
Investments in equity shares	5	19,269,000	-	-	19,269,000	19,269,000	-	-	19,269,000	22,209,000	2,940,000	-	19,269,000
Loans	6	409,103,474	-	-	409,103,474	194,577,074	-	-	194,577,074	164,124,384	-	-	164,124,384
Others financial assets	7	17,701,950	-	-	17,701,950	16,709,568	-	-	16,709,568	139,337,494	-	-	139,337,494
Trade receivables	11	539,596,019	-	-	539,596,019	420,493,728	-	-	420,493,728	396,309,225	-	-	396,309,225
Cash and cash equivalents	12	20,075,612	-	-	20,075,612	18,143,971	-	-	18,143,971	19,311,071	-	-	19,311,071
Other Bank balances	13	3,483,744	-	-	3,483,744	1,183,814	-	-	1,183,814	1,862,637	-	-	1,862,637
Total Financial Assets		**1,009,229,798**	**-**	**-**	**1,009,229,798**	**670,377,155**	**-**	**-**	**670,377,155**	**743,153,810**	**2,940,000**	**-**	**740,213,810**
Financial Liabilities:													
Borrowings	16	353,933,342	-	-	353,933,342	286,853,288	-	-	286,853,288	400,296,793	-	-	400,296,793
Trade payables	17	72,481,311	-	-	72,481,311	81,241,094	-	-	81,241,094	102,588,228	-	-	102,588,228
Other financial liabilities	18	37,134,406	-	-	37,134,406	57,624,105	-	-	57,624,105	58,302,101	-	-	58,302,101
Total Financial Liabilities		**463,549,059**	**-**	**-**	**463,549,059**	**425,718,487**	**-**	**-**	**425,718,487**	**561,187,122**	**-**	**-**	**561,187,122**

The Company has not disclosed the fair values for financial instruments for loans (non current), other non current financial assets, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents,Borrowings (current and non current),Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Note 41: Fair Value Measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Asset & Liabilities as at March 31, 2016	Carring Values	Routed through Profit & Loss				Carried at Amortised	Total Amount
		Level 1	Level 2	Level 3	Total		
Financial assets							
Investments							
Investments in equity shares	2,22,09,000	29,40,000	-	-	29,40,000	1,92,69,000	2,22,09,000
Loans	16,41,24,384	-	-	-	-	16,41,24,384	16,41,24,384
Others financial assets	13,93,37,494	-	-	-	-	13,93,37,494	13,93,37,494
Trade receivables	39,63,09,225	-	-	-	-	39,63,09,225	39,63,09,225
Cash and cash equivalents	1,93,11,071	-	-	-	-	1,93,11,071	1,93,11,071
Other Bank balances	18,62,637	-	-	-	-	18,62,637	18,62,637
Total Financial Assets	**74,31,53,810**	**29,40,000**	**-**	**-**	**29,40,000**	**74,02,13,810**	**74,31,53,810**
Financial Liabilities:							
Borrowings	40,02,96,793	-	-	-	-	40,02,96,793	40,02,96,793
Trade payables	10,25,88,228	-	-	-	-	10,25,88,228	10,25,88,228
Other financial liabilities	5,83,02,101	-	-	-	-	5,83,02,101	5,83,02,101
Total Financial Liabilities	**56,11,87,122**	**-**	**-**	**-**	**-**	**56,11,87,122**	**56,11,87,122**

Note 42 : Financial risk management objectives and policies

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition,

current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

Ageing of Accounts receivables :

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Not Due	-	-	-
0 - 6 months	47,93,84,521	37,74,25,045	35,55,15,535
6 - 12 months	5,78,87,806	3,17,35,456	3,05,71,192
Beyond 12 months	2,58,19,555	2,93,22,033	2,14,96,981
Total	**56,30,91,882**	**43,84,82,534**	**40,75,83,708**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year	57,90,819	54,61,294
Addition/(Reversal during the year)	55,07,057	3,29,525
Balance at the end of the year	**1,12,97,876**	**57,90,819**

ii) Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2018	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	32,14,23,158	-	3,25,10,184	35,39,33,342
Other non current financial liabilities	-	3,71,34,406	-	3,71,34,406
Trade payables	-	7,24,81,311	-	7,24,81,311
Other current financial liabilities	-	34,95,461	-	34,95,461
	32,14,23,158	11,31,11,178	3,25,10,184	46,70,44,520

As at March 31, 2017	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	23,35,59,607	-	5,32,93,681	28,68,53,288
Other non current financial liabilities	-	5,76,24,105	-	5,76,24,105
Trade payables	-	8,12,41,094	-	8,12,41,094
Other current financial liabilities	-	30,38,227	-	30,38,227
	23,35,59,607	14,19,03,426	5,32,93,681	42,87,56,714

As at April 1, 2016	On Demand	Less than 1 year	1 to 5 years	Total
Borrowings	34,01,43,272	-	6,01,53,521	40,02,96,793
Other non current financial liabilities	-	5,83,02,101	-	5,83,02,101
Trade payables	-	10,25,88,228	-	10,25,88,228
Other current financial liabilities	-	1,57,39,299	-	1,57,39,299
	34,01,43,272	17,66,29,628	6,01,53,521	57,69,26,421

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

i. Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and Arab Emirates Dirham. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Amount in Foreign currency

Particulars	31st March, 2018		31st March 2017		1st April 2016	
	USD	AED	USD	AED	USD	AED
Financial Asset						
Non Current Loans	-	1,49,53,056	-	81,92,038	-	74,52,760
Trade Receivables	4,21,311	-	53,419	-		-
Exposure for assets (a)	4,21,311	1,49,53,056	53,419	81,92,038	-	74,52,760
Financial Liabilities						
Trade Payables	2,13,030	-	-	-	-	-
Exposure for liabilities (b)	2,13,030	-	-	-	-	-
Net exposure (a-b)	2,08,281	1,49,53,056	53,419	81,92,038	-	74,52,760

Amount in ₹

Particulars	31st March, 2018		31st March 2017		1st April 2016	
	USD	AED	USD	AED	USD	AED
Financial Asset						
Non Current Loans	-	26,49,68,152	-	14,45,89,471	-	13,20,62,907
Trade Receivables	2,74,03,799	-	34,51,069	-	-	-
Exposure for assets (a)	2,74,03,799	26,49,68,152	34,51,069	14,45,89,471	-	13,20,62,907
Financial Liabilities						
Trade Payables	1,38,56,320	-	-	-	-	-
Exposure for liabilities (b)	1,38,56,320	-	-	-	-	-
Net exposure (a-b)	1,35,47,479	26,49,68,152	34,51,069	14,45,89,471	-	13,20,62,907

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and AED at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	31st March, 2018 Profit or (loss) and Equity		31st March 2017 Profit or (loss) and Equity	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	1,35,475	(1,35,475)	3,451	(3,451)
AED	26,49,682	(26,49,682)	14,45,895	(14,45,895)
	27,85,156	(27,85,156)	14,49,346	(14,49,346)

ii) 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 through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Total Borrowings	37,65,96,633	30,90,08,119	42,26,52,415
	37,65,96,633	30,90,08,119	42,26,52,415

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial

year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates

Cash flow sensitivity (net)	Profit or (loss)	
	50 bp increase	50 bp decrease
31st March 2018		
Variable-rate loan instruments	(18,82,983)	18,82,983
Cash flow sensitivity (net)	(18,82,983)	18,82,983
31st March 2017		
Variable-rate loan instruments	(15,45,041)	15,45,041
Cash flow sensitivity (net)	(15,45,041)	15,45,041

iii) Other price risk

The Company is not exposed to the other price risk.

Note 43 : Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
loans and borrowings	37,65,96,633	30,90,08,119	42,26,52,415
Net Debt	**37,65,96,633**	**30,90,08,119**	**42,26,52,415**
Equity	1,28,11,40,671	90,40,53,837	79,41,33,642
Total Capital	**1,28,11,40,671**	**90,40,53,837**	**79,41,33,642**
Capital and Net Debt	**1,65,77,37,304**	**1,21,30,61,956**	**1,21,67,86,058**
Gearing ratio (Net Debt/Capital and Net Debt)	**0.23**	**0.25**	**0.35**

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

Note 44 : Dividend Paid and Proposed

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Dividend declared and paid during the year:		
Final Dividend paid for the year ended March 31, 2017 ₹ 1/- per share (March 31, 2016 : ₹ 1.5/- per share)	1,83,27,100	2,74,90,650
Corporate Dividend Tax on Final Dividend	37,09,651	54,34,556
Interim Dividend for the year ended March 31, 2018 : ₹ Nil (March 31, 2017: ₹ 1/- per share)	-	1,83,27,100
Corporate Dividend Tax on Interim Dividend	-	36,23,038
Total	**2,20,36,751**	**5,48,75,344**

Note 45 : Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise Duty, Value Added Tax (VAT),etc. have been replaced by GST. In accordance with AS-9 "Revenue Recognisation" and Schedule III of Companies Act 2013, GST is not Included in Revenue from operations from 1st July 2017 onwards. However, for the period April 2017 to June 2017 and Earlier Comparative Periods, excise duty is included in the revenue form operations hence not comparable.

Note 46 : The board of directors has proposed the final dividend of Re. 2/- per equity share, subject to the approval of shareholders of the Company.

Note 47 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary. In terms of our report of even date

For K. M. Tulsian & Associates
Chartered Accountants
Firm Registration No. 111075W

For and on behalf of the Board
Veto Switchgears and Cables Limited

Nitesh Musahib
Partner
Membership No. 131146

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Narain Das Gurnani
Whole Time Director & CFO
DIN : 01970599

Place: Mumbai
Date : 28th May, 2018

Shilpi Keswani
Company Secretary

Place: Jaipur
Date : 28th May, 2018



WE ARE AVAILABLE AT

Rajasthan • Madhya Pradesh • Gujarat • Maharashtra
Himachal Pradesh • Delhi • Uttarakhand • Uttar Pradesh
Punjab • Haryana • Jharkhand • Assam • Kerala

VETO SWITCHGEARS AND CABLES LTD.

Corp. Office : 230, Sindhi Colony, Raja Park, Jaipur-302 014 (Raj.) India
Regd. Office. : 506, 5th Floor, Landmark Building, Link Road, Andheri (W), Mumbai - 400 053 (India)
Factory : (Haridwar) Plot, No. 65-67, 74-77, Sector-2E, Sidcual, Ranipur, Haridwar - 24403 (UK) India
Website : wwww.vetoswitchgears.com • Email : info@vetoswitchgears.com