

# INDIA INFRASPACE LIMITED

CIN:L45201GJ1995PLC024895

Regd. Office: 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad 380014.  
Phone: 079-27544003, Fax: 079-275436815, E-mail: investorindiainfraspace@gmail.com

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Date: 06/09/2019

To,  
The Manager (Listing)  
Corporate Relationship Dept.  
BSE Limited  
P J Tower,  
Dalal Street, Mumbai - 400 001

BSE Code: 531343

Dear Sir/ madam,

**Sub: Submission of Annual Report pursuant to Regulation 34(1) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19 which is being dispatched/ sent to the members by the permitted mode(s).

The Annual Report for the financial year 2018-19 is uploaded on the website of the Company ([www.indiainfraspace.com](http://www.indiainfraspace.com)).

Kindly take the same on your record.

Thanking You,

Yours Faithfully,

For, India Infraspace Limited

*Pradip B. Shah*

Pradip B. Shah  
Managing Director  
DIN: 00297120  
Encl: a.a.

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## BOARD OF DIRECTORS

Pradip B. Shah	Managing Director
Naresh B. Shah	Director
Vishnubhai G. Chauhan	Independent Director
Chetna A. Kapadia	Independent Director

### Auditors

M/s. G M C A & Co  
Chartered Accountants  
101, Parishram, 5-B, Rashmi Society,  
Nr. LG Showroom, Mithakhali Six Roads,  
Navrangpura, Ahmedabad,  
Gujarat - 380 009.

### Registered Office

701, Sarap Building, Opp. Navjeevan Press,  
Ashram Road, Ahmedabad,  
Gujarat - 380 014.

### REGISTRAR & SHARE TRANSFER AGENTS

Accurate Securities & Registry Pvt. Ltd,  
23, 3<sup>rd</sup> Floor, Sarthik Complex,  
Nr. Fun Republic, Iscon Cross Road,  
Satellite, Ahmedabad, Gujarat, 380 015.

## NOTICE

**NOTICE** is hereby given that the **Annual General Meeting** of **INDIA INFRASPACE LIMITED** will be held on Monday, the **30<sup>th</sup> day of September, 2019 at 11:00 AM** at 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad, Gujarat-380014 to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt :
  - (a) the audited Standalone financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2019, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Naresh B. Shah (DIN: 01212428), who retires by rotation and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS

3. **Re-appointment of Mr. Vishnubhai G. Chauhan (DIN: 01955762) as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 (‘the Act’) read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), as amended from time to time, Mr. Vishnubhai G. Chauhan (DIN: 01955762), who was appointed as an Independent Director of the Company at the Annual General Meeting of the Company held in the year 2014 and holds office up to 29<sup>th</sup> September, 2019 and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a recommendation from Nomination and Remuneration Committee and Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 30<sup>th</sup> September, 2019 up to 29<sup>th</sup> September, 2024.”

4. **To Approve related party transactions**

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

**“RESOLVED THAT** pursuant to the provisions of section 188 of the Companies Act, 2013 and all other applicable provisions, if any, of the companies act, 2013 read with applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the company be and is hereby accorded to the board of directors of the company to ratify related party transactions entered during the year 2018-19 by the company with related parties as set out under item no. 4 of explanatory statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the board of directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed

necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

**Date :** 14/08/2019

**Place:** Ahmedabad

**By Order of the Board of Directors**

**India Infraspac Limited**

**Registered Office :**

701, Sarap Building, Opp. Navjeevan Press,  
Ashram Road, Ahmedabad, Gujarat-380014  
**CIN:** L45201GJ1995PLC024895

**Pradip B. Shah**  
Managing Director  
DIN: 00297120

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- 2 Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolutions or Power of attorney authorizing their representative to attend and vote on their behalf at the meeting.
- 3 The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 3 is annexed hereto. The relevant details of the Directors seeking re-appointment/ appointment under Item No. 2 and 3, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
- 4 A route map giving directions to reach the venue of the Annual General Meeting is given at the end of the Notice.
- 5 Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
- 6 Members seeking any information with regard to accounts of the Company are requested to write to Company at its Registered Office, so as to reach at least 10 days before the date of Meeting to enable Management to keep information ready.
- 7 Relevant documents referred to in accompanying Notice and Statement are open for inspection by members at Registered office of the Company on all working days, except Saturdays, during 12:00 Noon to 02:00 p.m up to the date of the Meeting.
- 8 The Register of Directors & Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be made available for inspection at venue of the meeting by members attending meeting.
- 9 The Register of Members and Share Transfer Books of the Company will remain closed from, Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (both days inclusive).
- 10 Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio

management. Members can contact the Company or Share Transfer Agents i.e. Accurate Securities & Registry Pvt. Ltd. for assistance in this matter.

In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, it has been mandated the Company/RTA to obtain copy of PAN Card and Bank Account details from all the shareholders holding shares in physical form. Accordingly, shareholders who are holding shares in physical mode are requested to kindly furnish self-attested copy of your PAN card and original cancelled Cheque leaf/Attested Bank Passbook showing the name of Account holder along with an application.

With effective from 1<sup>st</sup> April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Therefore, all shareholders who are holding shares in physical mode are requested to kindly dematerialize the equity shares of the Company at the earliest.

- 11 As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be available at the office of Share Transfer Agents i.e. Accurate Securities & Registry Pvt. Ltd. Members are requested to submit the said details to their depository participants (“DPs”) in case the shares are held by them in electronic form and to Accurate Securities & Registry Pvt. Ltd. in case the shares are held by them in physical form.
- 12 Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the Annual General Meeting (‘AGM’) by electronic means and the business may be transacted through the e-voting services provided by Central Depository Services (India) Ltd. (CDSL). The members may cast their votes using an electronic voting system from place other than the venue of the Meeting (‘remote e-voting’). In addition, the facility of voting through Ballot Paper shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

**The procedure and instructions for voting through electronic means are as follows:**

**SECTION A - E-VOTING PROCESS**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on attendance slip.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

## (xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**

- i. A member may exercise his/her vote at any general meeting by electronic means and the business may be transacted through such voting. Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
- ii. The facility for voting, either through electronic voting system or polling paper, as may be decided by Chairman of the meeting, shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- iii. The remote e-voting period commences on Friday, 27th September, 2019 (9:00 a.m. IST) and ends on Sunday, 29th September, 2019 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 23<sup>rd</sup> September, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- iv. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. As per Explanation (ii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, cut-off date means a date not earlier than 7 days before the date of general meeting.
- v. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evotingindia.com](http://www.evotingindia.com).
- vi. Mr. Jigar Thakkar, Company Secretary in Practice, Proprietor of M/s. Jigar Thakkar & Associates (M. No.: FCS 9327; CP No: 11021) (301, Harmony icon, Nr. Baghban Party Plot, Zydus Hospital Road, Thaltej, Ahmedabad-380054) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Board has also authorised Chairman to appoint one or more scrutinizers in addition to and/or in place of Mr. Jigar Thakkar.
- vii. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutiniser’s report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter,

- the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- viii. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.indiainfraspac.co.in](http://www.indiainfraspac.co.in) and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.
- ix. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of requisite number of votes.
- x. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- xi. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
15. Electronic copy of Annual Report 2018-19 is being sent to all the members whose email-ID are registered with the Company/Depository Participant(s) for communication purposes unless any member has required for hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2018-19 is being sent in the permitted mode. Members may also note that the notice of the Annual General Meeting and Annual Report for 2018-19 will also be available on the company's website [www.indiainfraspac.co.in](http://www.indiainfraspac.co.in) for their download. The physical copies of the aforesaid documents will also be available at the registered office of the company during office hours on all working days between 12.00 noon to 2.00 p.m., except Saturday, Sunday and holidays.

#### Details of Directors Seeking Re-Appointment at the Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Director	Mr. Naresh B. Shah	Mr. Vishnubhai G. Chauhan
DIN	01212428	01955762
Date of Birth	18/08/1958	01/06/1970
Age	61 years	49
Date of Appointment	13/05/2013	01/06/2010
Disclosures of relationship between Directors inter-se	Mr. Naresh Shah and Mr. Pradip Shah, Managing Director are brothers.	N.A
Functional Expertise	He holds a bachelor's degree & possesses total experience of more than 21 years in the industry	He is having vast experience in the field of Marketing and Sales.
Qualifications	B. Com.	B.Com
Directorship in other Companies	<ol style="list-style-type: none"> <li>Vastupal Steel And Spare Private Limited</li> <li>Shaurya Casting Private Limited</li> <li>Vastupal Bearing Races Limited</li> <li>Mukta Industries Private Limited</li> <li>Vastupal Leasing And Finance Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>Infinium (India) Limited</li> </ol>
Chairman/ Member of Committee in other Companies	Nil	Nil
No. of Equity Shares held in the Company	1,40,000	0



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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013****Special business:****Item No. 3**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Vishnubhai G. Chauhan as Independent Directors, not liable to retire by rotation, for a second term of five years as mentioned below subject to approval of the Members.

The Company has, in terms of Section 160(1) of the Companies Act, 2013 received in writing a notice from Members, proposing his candidature for the office of Director.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Independent Directors would be beneficial to the Company and it is desirable to continue to avail services from Mr. Vishnubhai G. Chauhan, Independent Director.

The Company has received a declaration from above mentioned Independent Director to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he had confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge his duties.

Mr. Chauhan has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated 20<sup>th</sup> June, 2018 issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies. Further, Above mentioned Independent Director is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as Independent Director and is independent of the management of the Company.

A copy of the draft letter for re-appointment of Mr. Chauhan as Independent Director setting out the terms and conditions of his re-appointment is available for inspection by the Members at the Registered Office of the Company during the business hours (except on Saturdays and Sundays) between 12:00 Noon to 02:00 p.m and will also be kept available at the venue of the AGM till the conclusion of the AGM.

Mr. Chauhan is B.Com. He is having vast experience in the field of Marketing and Sales.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Chauhan as Independent Directors is now being placed before the Members for their approval by way of Special Resolution.

The Board recommends the Special Resolution at Item No. 3 of this Notice for approval of the Members.

Except Mr. Chauhan and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 3 of the Notice.

**Item No. 4**

The Board of Directors of the Company has entered into related party transactions during the year 2018-19 as mentioned below. The said related party transactions are required to be ratified by the Shareholders in the General Meeting.

All related parties transactions were carried out on prevailing market conditions and on arm's length basis.

(Amount in Rs.)

Sr. No.	Name of Related Parties	Nature of Relationship	Nature of Transactions	Transaction Value for the year ended 31 <sup>st</sup> March, 2019
1	Vastupal Steel & Spare Pvt. Ltd	Sister Concern	Loan granted	1,53,19,413/-
2	Vastupal Steel & Spare Pvt. Ltd	Sister Concern	Loan recovered	60,86,977/-
3	Mukta Industries Private Limited	Sister Concern	Sales of Goods	3,62,02,284/-
4	Mukta Automation Pvt. Ltd	Sister Concern	Loan Granted	54,26,400/-

The Board recommends the resolution set forth in Item Nos. 4 of the Notice for ratification of related party transactions entered during the year 2018-19 with related parties. The Board recommends Ordinary Resolution set out at Item No. 4 of Notice for approval by the shareholders.

**Date :** 14/08/2019

**Place:** Ahmedabad

**By Order of the Board of Directors**  
**India Infraspac Limited**

**Registered Office :**

701, Sarap Building, Opp. Navjeevan Press,  
Ashram Road, Ahmedabad, Gujarat-380014

**CIN:** L45201GJ1995PLC024895

**Pradip B. Shah**  
Managing Director  
DIN: 00297120

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

The Group's financial performances for the year under review along with previous year's figures are given hereunder:

PARTICULARS	(Rs. In Lacs)		
	Standalone	Consolidated*	
	2018-19	2017-18	2018-19
Revenue from Operations	268.22	3,530.41	668.52
Other Income	0.67	0.00	15.86
Total Revenue	268.89	3,530.41	684.38
Profit (Loss) Before Taxation	(10.99)	3.12	(14.82)
Tax Expense	0.00	0.00	(2.54)
Profit/(Loss) for the period after tax and minority interest	(10.99)	3.12	(12.28)
Other comprehensive income	0.00	0.00	0.00
<b>Total comprehensive income (after tax)</b>	<b>(10.99)</b>	<b>3.12</b>	<b>(12.28)</b>

\* Since, your Company has acquired Shaurya Casting Private Limited on 12<sup>th</sup> September, 2018, comparable figures for consolidation are available for the year 2018-19 only.

### DIVIDEND

Considering the current cash flow position of the Company, the Board of Directors has not recommended any dividend on Share Capital of the Company for the year ended on 31<sup>st</sup> March, 2019.

### REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The total Income during the year has decreased from Rs. 3,530.41 Lacs to Rs. 268.22 Lacs against the last year. During the year, Company incurred loss of Rs. 10.99 against the profit of Rs. 3.12 Lacs over the last year. Your directors are hopeful to get better results in the coming year. The Board of Directors of the Company are continuously making efforts for the growth of your Company.

The Company is in business of trading of various Steel Products, IT and electronic products and also into various IT enabled services. Business conditions continue to be challenging. The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time.

### RESERVES

Company does not propose to carry any amount to any Reserve Account.

### SHARE CAPITAL

The paid up Equity Share Capital as at 31<sup>st</sup> March, 2019 is Rs. 2.80 Crores. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

### CORPORATE GOVERNANCE

As per Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), compliance with the corporate governance

provisions as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V, are not applicable to the Company. Although as a good governance practice a detailed report on Corporate Governance is given as a part of the Annual Report. The Certificate of the non-applicability of submission of Report on Corporate Governance is attached to the Report on Corporate Governance. Report on Corporate Governance is annexed and forms part of this Annual Report.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There are no material changes in the nature of business during the year.

#### **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no material changes and commitment if any affecting the financial position of the company occurred between the ends of the financial year to which this financial statements relate and the date of the report.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

#### **RISK MANAGEMENT**

The Company has adopted a Risk Management Policy, pursuant to Section 134 of the Companies Act, 2013 and Company has also implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Currency fluctuation, Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Report on Management Discussion and Analysis Report as required under SEBI Listing Regulations is included in this Report. Certain statements in said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **i) Changes in Directors and Key Managerial Personnel**

Pursuant to Section 152 of the Companies Act, 2013, Mr. Naresh B. Shah (DIN: 01212428), Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Mr. Vishnubhai G. Chauhan (DIN: 01955762) would be re-appointed as an Independent Director of the Company subject to approval of shareholders in ensuing Annual General Meeting of the Company. Mr. Hiteshkumar Donga had resigned as Compliance Officer of the Company w.e.f. 16<sup>th</sup> March, 2019. Ms. Nidhi D. Bhatt has been appointed as Company Secretary and Compliance

officer of the Company w.e.f. 27<sup>th</sup> March, 2019. Mr. Pankaj B. Shah has been appointed as Chief Financial Officer of the Company w.e.f. 27<sup>th</sup> March, 2019.

There were no other changes in Key Managerial Personnel during the year.

**ii) Declaration by an Independent Director(s)**

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 Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

**iii) Procedure for Nomination and Appointment of Directors:**

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

**iv) Criteria for Determining Qualifications, Positive Attributes and Independence of a Director:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

**v) Annual Evaluation of Board Performance and Performance of its Committees and of Directors:**

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Listing Regulations, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board.

The following were the Evaluation Criteria:

(a) For Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals and achievements
- Professional Conduct, Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

## **NOMINATION AND REMUNERATION POLICY**

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company. The annual financial statements of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary companies and will be available to investors seeking information at any time.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website. The consolidated financial results reflect the operations of the following subsidiaries.

Sr. No.	Name of Company	CIN/GLN	Address of The Company	Holding/ Subsidiary / Associate
1	Shaurya Casting Private Limited*	U28112GJ2012PTC070409	91, Sopan Kesar Industrial Hub, Sarkhej-Bavla High Way, Moraiya, Ahmedabad- 382213	Wholly owned Subsidiary Company

\* Company acquired 100% equity share capital of Shaurya Casting Private Limited w.e.f. 12<sup>th</sup> September, 2018.

**PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules made thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in **Form AOC-1** attached as **Annexure-1** which forms part of this Report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**DEPOSITS**

During the year under review, your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on 31<sup>st</sup> March, 2019, there were no deposits which were unpaid or unclaimed and due for repayment.

**INSURANCE**

All properties and insurable interests of the company to the extent required have been adequately insured.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year were in the ordinary course of business and on an arm's length basis. A detailed report on material contracts and arrangements made during the year 2018-19, being arm's length transactions have been reported and annexed hereto in **Form AOC-2** as **Annexure-2** and forms part of this report.

There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the company at large. The Company has adopted a Related Party Transactions Policy. The Board has formulated Policy on Related Party Transactions.

**NUMBER OF MEETINGS OF THE BOARD**

During the year, Six (6) board meetings were convened and held. Details of board meetings and committee meeting are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**COMMITTEES OF BOARD**

Company has constituted 3 Committees namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. Committee Meetings to be held during the year was circulated in advance to the Directors. There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance

Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

**DIRECTORS RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF).**

The provisions of Section 125(2) of the Act do not apply as there was no unclaimed and unpaid dividend or any other amount which require transferring to Investor Education and Protection Fund (IEPF).

**CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute Corporate Social Responsibility Committee or spend on social responsibility pursuant to section 135 of the Companies Act, 2013.

**POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has made complaint under Vigil Mechanism/ Whistle Blower Mechanism.

**FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report.

**AUDITORS****(i) Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. GMCA & Co., Chartered Accountants, Ahmedabad (Firm Registration No.109850W) were appointed as Statutory Auditors of the Company from conclusion of the Annual General Meeting (AGM) of the Company held in the year 2017 till the conclusion of the AGM to be held in the year 2012 subject to ratification of their appointment at every AGM.

The Ministry of Corporate Affairs vide its Notification dated 7<sup>th</sup> May, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, approval of the Members for the ratification of Auditors' appointment is not being sought at the ensuing Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31<sup>st</sup> March, 2019. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**(ii) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Jigar Thakkar & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2019. The Secretarial Audit Report is annexed as **Annexure-3**.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

The Auditors' Report does not contain any qualification. There were no reservations or adverse remarks made by the Auditors in their report. Secretarial Audit Report contains remark regarding non-appointment of Chief Financial Officer (CFO) and Company Secretary pursuant to the provisions of the Companies Act, 2013 and Belated payment of Listing fees to BSE Ltd and Custodian fees to Depositories.

In respect of the same, Company has appointed Mr. Pankaj B. Shah as Chief Financial Officer of the Company w.e.f. 27/03/2019 and Ms. Nidhi D. Bhatt has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 27/03/2019. Company will make sure to make payment within stipulated time.

**SECRETARIAL STANDARDS OF ICSI**

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

**EXTRACT OF THE ANNUAL RETURN**

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT.9 is annexed as **Annexure-4**.



**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
2. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
3. The Managing Director of the Company has not received any commission from the Company and not disqualified from receiving any remuneration or commission from any of subsidiaries of the Company.
4. No fraud has been reported by the Auditors to the Audit Committee or the Board.
5. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

**LISTING OF SHARES:**

The Equity Shares of the Company are listed on the BSE Limited (BSE) with Scrip Code No. 531343 & Security ID: INDINFRA. The Company confirms that the annual listing fee to the stock exchange for the financial year 2019-20 has been paid.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

There was no earning and expenditure in the foreign currency. Since the Company does not have any manufacturing activities, the other particulars required to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 are not applicable.

**PARTICULARS OF EMPLOYEES**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 (12) of the Act and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as **Annexure-5** to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available at the registered office of the Company during working hours, pursuant to the provisions of the first proviso to Section 136(1) of the Act and any member interested in obtaining such information may write to the Company Secretary and the same will be made available to any such member on request.

**ACKNOWLEDGEMENTS**

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors  
India Infraspac Limited**

**Date :** 30/05/2019  
**Place :** Ahmedabad

**Pradip B. Shah**  
Managing Director  
DIN: 00297120

**ANNEXURE-1****Form No. AOC-1**

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

Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures

**PART "A": SUBSIDIARIES**

Sl. No.	1
Name of the Subsidiary Company	SHAURYA CASTING PRIVATE LIMITED
Reporting period	2018-19
Reporting currency	INR
Share Capital	16,15,000
Reserves & Surplus	20456071.00
Total Assets	123883285
Total Liabilities (excluding Share Capital and Reserves & Surplus)	101812214.00
Investments	20100.00
Turnover	89921750.00
Profit/(Loss) Before Taxation	21371.00
Exceptional Items	0.00
Provision for Taxation	(254539.00)
Profit/(Loss) After Taxation	275910.00
Proposed Dividend	0.00
% of Shareholding	100.00%

Figures in bracket show negative figures.

1. Name of Subsidiaries which are yet to commence operations: N.A
2. Name of Subsidiaries which have been liquidated or sold during the year: N.A
3. Part B is not applicable as there are no associate Companies/ Joint Ventures of the Company as on 31st March, 2019.

**For and on behalf of Board of Directors**

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Company Secretary

**Pankaj B. Shah**  
Chief Financial Officer

**Place :** Ahmedabad

**Date :** 30/05/2019

## ANNEXURE -2

## Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Not Applicable, as there are no contracts or arrangements or transactions entered into with related party which are not at arm's length basis.

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:.
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any: (Amount in Rs.)	Date(s) of approval by the Board	Amount Paid / Received in advance
1	Vastupal Steel & Spare Pvt. Ltd	Sister Concern	Loan granted	2018-19	1,53,19,413/-	29/05/2018	Nil
2	Vastupal Steel & Spare Pvt. Ltd	Sister Concern	Loan recovered	2018-19	60,86,977/-	29/05/2018	Nil
3	Mukta Industries Private Limited	Sister Concern	Sales of Goods	2018-19	3,62,02,284/-	29/05/2018	Nil
4	Mukta Automation Pvt. Ltd	Sister Concern	Loan Granted	2018-19	54,26,400/-	29/05/2018	Nil

For and on behalf of Board of Directors

Place : Ahmedabad  
Date : 30/05/2019

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

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

To,  
The Members,  
**India Infraspaces Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by India Infraspaces Limited (herein after referred to as "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 India Infraspaces Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by India Infraspaces Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2019 verified the provisions of the following acts and regulations and also their applicability as far as the Company is concerned during the period under audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 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 (Share Based Employee Benefit) Regulations, 2014- Not Applicable;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not Applicable;
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable, and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable,
- (vi) There are no laws which are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following observations:

1. The Company has not appointed Chief Financial Officer (CFO) and Company Secretary up to 26th March, 2019 as per the provisions of Section 203 of the Companies Act, 2013.
2. Belated Payment of listing fees to BSE Ltd
3. Belated Payment of Custodian fees to Central Depository Services Ltd and National Securities Depository Ltd.

We 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. No changes in the composition of the Board of Directors took place during the period under review.

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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

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

**We further report that** during the audit period the company there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For, Jigar Thakkar & Associates**

**Company Secretaries**

**Jigarkumar Thakkar**

Proprietor

C.P. No. 11021

M. No. 9327

**Place :** Ahmedabad

**Date :** 30/05/2019

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

**Annexure-A**

To,  
The Members,  
**India Infraspac Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Jigar Thakkar & Associates**

**Company Secretaries**

**Jigarkumar Thakkar**

Proprietor

C.P. No. 11021

M. No. 9327

**Place :** Ahmedabad

**Date :** 30/05/2019

## Annexure-4

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended 31<sup>st</sup> March, 2019

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

## I. REGISTRATION AND OTHER DETAILS

CIN	L45201GJ1995PLC024895
Registration Date	07/03/1995
Name of the Company	INDIA INFRASPACE LIMITED
Category / Sub-Category of the Company	Company limited by shares and Indian Non-Government Company
Address of Registered Office and Contact Details	701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmadabad, Gujarat-380014 Phone: 079-27544003, Fax: 079-275436815, email: investorindiainfraspac@gmail.com
Whether listed company	Yes
Name, Address and Contact Details of Registrar & Transfer Agent (RTA), if any	Accurate Securities & Registry Pvt. Ltd. 23, 3rd Floor, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad, Gujarat, 380015 Email:- accuratesecuritiesrta@gmail.com Contact No.: +91 9033009602-05

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Trading of Steel	46620	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Shaurya Casting Private Limited*	U28112GJ2012PTC070409	Subsidiary	100%	2(87)

\* Company acquired 100% equity share capital of Shaurya Casting Private Limited w.e.f. 12th September, 2018.

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)  
AS ON 31<sup>ST</sup> MARCH, 2019**
**A. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	840000	-	840000	30.00	840000	-	840000	30.00	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1019501	-	1019501	36.41	1019501	-	1019501	36.41	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1):-</b>	<b>1859501</b>	<b>-</b>	<b>1859501</b>	<b>66.41</b>	<b>1859501</b>	<b>-</b>	<b>1859501</b>	<b>66.41</b>	<b>-</b>
<b>(2) Foreign</b>									
(a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter(A)= (A)(1)+(A)(2)</b>	<b>1859501</b>	<b>-</b>	<b>1859501</b>	<b>66.41</b>	<b>1859501</b>	<b>-</b>	<b>1859501</b>	<b>66.41</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify Foreign Portfolio Investors)	-	-	-	-	-	-	-	-	-



**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) AS ON 31<sup>ST</sup> MARCH, 2019 (CONTD...)**
**A. Category-wise Shareholding (Contd...)**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	618801	76	618877	22.10	6,12,531	76	612607	21.88	-0.22
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	199413	101104	300517	10.73	2,18,833	100090	318923	11.39	0.66
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	13685	-	13685	0.49	-	-	-	-	-0.49
c)Others(specify)									
Director or Director's Relatives	42	-	42	0.00	42	-	42	0.00	-
Non Resident Indians	700	-	700	0.03	700	-	700	0.03	-
Overseas Corporate Bodies (OCB)	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Member	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	6585	93	6678	0.24	8,134	93	8227	0.29	0.05
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>839226</b>	<b>101713</b>	<b>940499</b>	<b>33.59</b>	<b>840240</b>	<b>100259</b>	<b>940499</b>	<b>33.59</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>839226</b>	<b>101713</b>	<b>940499</b>	<b>33.59</b>	<b>840240</b>	<b>100259</b>	<b>940499</b>	<b>33.59</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2698287</b>	<b>101713</b>	<b>2800000</b>	<b>100.00</b>	<b>26,99,741</b>	<b>100259</b>	<b>2800000</b>	<b>100.00</b>	<b>-</b>

## B. Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Vastupal Steel & Spares Pvt Ltd	1019501	36.41	0.00	1019501	36.41	0.00	0.00
Shah Jitendra Babulal	140000	5.00	0.00	140000	5.00	0.00	0.00
Shah Pradipbhai Babulal	140000	5.00	0.00	140000	5.00	0.00	0.00
Pankaj Babulal Shah	140000	5.00	0.00	140000	5.00	0.00	0.00
Naresh Babulal Shah	140000	5.00	0.00	140000	5.00	0.00	0.00
Shah Hemendrabhai Babulal	140000	5.00	0.00	140000	5.00	0.00	0.00
Shah Prakashbhai Babulal	140000	5.00	0.00	140000	5.00	0.00	0.00
<b>Total</b>	<b>1859501</b>	<b>66.41</b>	<b>0.00</b>	<b>1859501</b>	<b>66.41</b>	<b>0.00</b>	<b>0.00</b>

## C. Change in Promoters' shareholding

For Each of the Promoters	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Vastupal Steel & Spares Pvt Ltd	1019501	36.41		No Change during the year			1019501	36.41
Shah Jitendra Babulal	140000	5.00		No Change during the year			140000	5.00
Shah Pradipbhai Babulal	140000	5.00		No Change during the year			140000	5.00
Pankaj Babulal Shah	140000	5.00		No Change during the year			140000	5.00
Naresh Babulal Shah	140000	5.00		No Change during the year			140000	5.00
Shah Hemendrabhai Babulal	140000	5.00		No Change during the year			140000	5.00
Shah Prakashbhai Babulal	140000	5.00		No Change during the year			140000	5.00

## D. Shareholding Pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company

\* Not in the list of Top 10 shareholders as on 1<sup>st</sup> April, 2018. The same is shown above since the shareholder was one of the Top 10 shareholders as on 31<sup>st</sup> March, 2019.

# Shareholding of above top ten shareholders have been consolidated based on PAN.

## E. Shareholding of Directors and Key Managerial Personnel (KMP)

For Each Directors and KMP	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Naresh Babulal Shah	140000	5.00		No change during the year			140000	5.00
Pradip Babulal Shah	140000	5.00		No change during the year			140000	5.00
Chetna Atul Kapadia	42	0.00		No change during the year			42	0.00
Nidhi D. Bhatt*	0	0		No change during the year			0	0
Pankaj B. Shah#	140000	5.00					140000	5.00

\* Ms. Nidhi D. Bhatt has been appointed as Company Secretary and Compliance officer w.e.f. 27<sup>th</sup> March, 2019.

# Mr. Pankaj B. Shah has been appointed as Chief Financial Officer of the Company w.e.f. 27<sup>th</sup> March, 2019.

**V. INDEBTEDNESS – INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT**

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year including</b>	-	<b>79,546,849</b>	-	<b>79,546,849</b>
i) Principal Amount	-	79,546,849	-	79,546,849
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>79,546,849</b>	-	<b>79,546,849</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	65,22,293	-	27,44,142
* Reduction	-	8,33,25,000	-	-
<b>Net Change</b>	-	<b>27,44,142</b>	-	<b>27,44,142</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	27,44,142	-	27,44,142
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>27,44,142</b>	-	<b>27,44,142</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Amount in Rs.)**

Sr.	Particulars of Remuneration	Pradip B. Shah Managing Director	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	As per Part II of Schedule V of the Companies Act, 2013	

**B. Remuneration to other Directors****(i) Independent Directors (Rs. In Million)**

Particulars of Remuneration	Mr. Vishnubhai Chauhan	Mrs. Chetna Kapadia	Total
(a) Fee for attending Board and Committee meetings	0	0	0
(b) Commission	0	0	0
(c) Other, please specify	0	0	0
<b>Total (i)</b>	<b>0</b>	<b>0</b>	<b>0</b>

**(ii) Other Non-Executive Directors (Rs. In Million)**

Particulars of Remuneration	Naresh B. Shah	Total
(a) Fee for attending Board and Committee meetings	0	0
(b) Commission	0	0
(c) Other, please specify	0	0
<b>Total (ii)</b>	<b>0</b>	<b>0</b>
<b>Total (i) + (ii)</b>	<b>0</b>	<b>0</b>

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Rs. In Million)

Sr.	Particulars of Remuneration	Mr. Pankaj B. Shah # Chief Financial Officer	Ms. Nidhi D. Bhatt* Company Secretary	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify....	0	0	0
5	Others, please specify	0	0	0
	- Gratuity	0	0	0
	Total (A)	0	0	0

\* Ms. Nidhi D. Bhatt has been appointed as Company Secretary and Compliance officer w.e.f. 27<sup>th</sup> March, 2019.

# Mr. Pankaj B. Shah has been appointed as Chief Financial Officer of the Company w.e.f. 27<sup>th</sup> March, 2019.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board of Directors

Place : Ahmedabad

Date : 30/05/2019

Pradip B. Shah  
Managing Director  
DIN : 00297120

## Annexure-5

**Details under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19:

<b>Name of Directors</b>	<b>Designation</b>	<b>Ratio of remuneration of the Directors to the median remuneration of the employees</b>	<b>% increase in remuneration in the financial year</b>
Mr. Pradip B. Shah	Managing Director	Nil	Nil
Mr. Naresh B. Shah	Non-Executive Director	Nil	Nil
Mr. Vishnubhai G. Chauhan	Independent Director	Nil	Nil
Ms. Chetna A. Kapadia	Independent Director	Nil	Nil

Since, Chief Financial officer and Company Secretary appointed on 27<sup>th</sup> March, 2019, so, remuneration was paid up to 31<sup>st</sup> March, 2019.

- B. The percentage increase in the median remuneration of employees in the financial year 2018-19: Nil
- C. There was 2 employees on the rolls of Company as on March 31, 2019.
- D. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was Nil whereas the increase in the managerial remuneration for the same financial year was Nil. Comparison of the remuneration of the Key Managerial Personnel against the performance.
- E. It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

**By Order of the Board of Directors**

Place : Ahmedabad

Date : 30/05/2019

**Pradip B. Shah**  
Managing Director

DIN : 00297120

## Report on Corporate Governance

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, equity, openness, fairness and accountability in all faces of its functioning and its interactions with stakeholders. To create a culture of corporate governance, the company has adopted practices such as constitution of various Board Committees for effective internal control system, adequate and timely compliance, fair representation of professionally qualified, non-executive and independent directors on the Board, disclosure of material information, effective management control, etc. The company is committed to achieve good corporate governance for betterment of sustainable growth and enhancement of stakeholders' value. So far as compliance with the requirement of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is concerned, Company has complied with all the mandatory norms and disclosures that have to be made on Corporate Governance front.

At India Infraspaces Limited, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Board Performance Evaluation Policy
- Familiarization of Independent Directors Policy
- Policy for Selection of Directors and determining Directors Independence
- Policy for determining Material Subsidiaries.
- Risk Management Policy
- Sexual Harassment Policy

### 2. BOARD OF DIRECTORS

#### A. Composition of Board:

In compliance with the code of Corporate Governance, the composition of Board of Directors comprised of both Executive and Non-Executive Directors including Independent Directors. As on March 31, 2019, the Board comprised of Four directors which include one Executive Director and 3 Non-Executive Directors including 2 Independent Directors (including one woman Director). Non-Executive and Independent Directors have expert knowledge in the fields of finance, taxation, accounts, audit, legal, industry, marketing and sale. Thus the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise to the Company and which enable them to effectively contribute to the Company in their capacity as Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships /

Memberships held by them in other public limited companies as on 31<sup>st</sup> March, 2019 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

During FY 2019, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration. None of the Directors hold office in more than 20 companies and in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 8 listed companies. Further, none of the Independent Directors ('ID') served as ID in more than 7 listed companies. The Managing Directors did not serve as an Independent Director in any listed company. The composition of Board of Directors as on 31<sup>st</sup> March, 2019 is as under.

Name	Designation	Category	No. of Equity Shares held	No. of Directorship held in other Public Limited Companies	No. of Committee Membership in other companies#	No. of Committee Chairmanship in other companies#	Directorship in other listed entity (Category of Directorship)
Pradip B. Shah (DIN: 00297120)	Chairman & Managing Director	Executive Director	140000	1	Nil	Nil	Nil
Naresh B. Shah (DIN: 01212428)	Non-Executive Director	Promoter, Non-Executive Director	140000	1	Nil	Nil	Nil
Vishnubhai G. Chauhan (DIN: 01955762)	Director	Independent, Non-Executive Director	0	1	Nil	Nil	Nil
Chetna A. Kapadia (DIN: 07147995)	Director	Independent, Non-Executive Director	42	Nil	Nil	Nil	Nil

# Only Audit Committee and the Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding India Infraspac Limited) have been considered for committee position.

\* Mr. Pradip B. Shah and Mr. Naresh B. Shah are brothers. Except this, none of the other Directors are related to any other on the Board in terms of definition of 'relative' as per Companies Act, 2013.

#### B. Board Meeting and Procedure:

The Board meets at least once in a quarter and the maximum time gap between any two meetings is not more than four months. During the year under review, 6 (Six) Board Meetings were held on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> September, 2018, 3<sup>rd</sup> November, 2018, 13<sup>th</sup> February, 2019 and 27<sup>th</sup> March, 2019. The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly/half yearly unaudited financial statements and the audited annual financial statements, business plans, annual budgets, projects and capital expenditure, compliance with applicable laws and regulations.

The meetings of the Board of Directors are scheduled well in advance. The Compliance Officer, in consultation with Managing Director and other Directors, prepares detailed agenda for the meetings. Directors are also free to bring up any matter for discussion at the Board Meetings with the permission



of the Chairman. The draft minutes of the meeting approved by the Chairman is circulated to all the Directors within fifteen days after the conclusion of the meetings. Attendance at Board meetings and Annual General Meeting (AGM)

Name	No. of Board Meetings held	No. of Board Meetings Attended	Attendance at the last AGM
Mr. Pradip B. Shah	6	6	Yes
Mr. Naresh B. Shah	6	6	Yes
Mr. Vishnubhai G. Chauhan	6	6	Yes
Ms. Chetna A. Kapadia	6	6	Yes

### C. Evaluation of Board Performance:

During the year, the Board in consultation with Nomination and Remuneration Committee, has adopted a formal mechanism to lay down the evaluation criteria for the performance of the Chairman, the Board, the Committees and Executive/Non-Executive/Independent Directors, excluding the Director being evaluated. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and of the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation on different criteria, which reflected the overall engagement of the Board and its Committees with the Company.

### D. Separate Meeting of Independent Directors:

During the year under review, in compliance with the requirements of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 read with Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company, without attendance of Non-Independent Directors and members of management, was held on 25<sup>th</sup> March, 2019, wherein, the Independent Directors:

1. Reviewed the performance of Non-Independent Directors;
2. Reviewed the performance of Chairman of the Company;
3. Assessed the quality, quantity and timelines 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 the meeting.

### E. Familiarization Programme for Independent Directors:

The Company familiarized its Independent Directors with the Corporate Structure of the group, nature of the industry in which Company operates, business model of the Company, project details, toll income and financials, etc. through familiarization programme held on 13<sup>th</sup> February, 2019. The detailed familiarization programme for Independent Directors is available on the website of the company.

### F. Skills, Expertise and Competencies of the Board

The Board of Directors has, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), identified the following core skills/ expertise/competencies of Directors as required in the context of business of the Company for its effective functioning:

- a) Leadership experience in managing companies and associations including general management.

- b) Industry experience including its entire value chain and indepth experience in corporate strategy and planning
- c) Expertise in the field of Marketing and sale.
- d) Experience in finance, tax, risk management, legal, compliance and corporate governance.
- e) Experience in human resources and communication.
- f) Relevant experience and knowledge in the matters of Safety and Corporate Social Responsibility including environment, sustainability, community and values.

The Board as a whole possesses the identified skills, expertise and competencies as are required in the context of business of the Company

### 3. COMMITTEES OF THE BOARD

The Board has following Committees as on 31<sup>st</sup> March, 2019:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Stakeholder' Relationship Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, re-constituting, assigning and co-opting the members of the Committees.

#### A. Audit Committee

##### I. Terms of Reference:

The Audit Committee functions in accordance with Section 177 of the Act, Regulation 18 of the Listing Regulations and its Charter adopted by the Board. During the year under review, the Audit Committee Charter was amended to align the role of the Committee with amendments to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015. The terms of reference of the Audit Committee, inter alia, includes:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the Statutory Auditor of the Company and fixation of audit fee;
- Reviewing and monitoring the Statutory Auditor's independence and performance and effectiveness of audit process;
- Approving payments to Statutory Auditors for any other services rendered by them;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Reviewing with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issued and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of funds raised through the proposed offer by the Company.
- Approval or any subsequent modifications of transactions of the Company with related parties;
- Scrutinizing of inter-corporate loans and investments;

- Valuing of undertakings or assets of the Company, wherever it is necessary;
- Evaluating of internal financial controls and risk management system;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
- Reviewing with the management, the performance of Statutory and Internal Auditors and adequacy of internal control system;
- Reviewing the adequacy of internal audit function if any, including the structure of internal audit department, reporting structure coverage and frequency of internal audit;
- Discussing with Internal Auditors on any significant findings and follow up thereon;
- 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;
- Discussing 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;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- Approving the appointment of the Chief Financial Officer or any other person handling the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

## II. Composition and Attendance:

The Company has independent Audit Committee, constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Committee are financially literate. The Compliance Officer acts as the secretary to the Committee. Ms. Chetna Atul Kapadia, Chairperson of the Audit Committee, was present at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2018.

During the year 2018-19, 5 (Five) meetings of the Audit Committee were held on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> September, 2018, 3<sup>rd</sup> November, 2018, and 13<sup>th</sup> February, 2019. The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Ms. Chetna Atul Kapadia	Chairperson	Independent, Non-Executive Director	5	5
Mr. Vishnubhai Chauhan	Member	Independent, Non-Executive Director	5	5
Mr. Pardip B. Shah	Member	Managing Director	5	5

## B. Nomination and Remuneration Committee

### I. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee, *inter alia*, includes following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;

- Formulating criteria for evaluation of the Independent Directors and the Board;
- Specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.
- Devising a policy on Board diversity;
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluations of every Director's performance;
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and determining remuneration packages of such Directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related, usually consisting a fixed and variable component;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  1. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  2. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

## II. Composition and Attendance:

The Company has independent Nomination and Remuneration Committee, constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Ms. Chetna A. Kapadia, Chairperson of the Nomination and Remuneration Committee, was present at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2018. During the year 2018-19, 2 (Two) meeting of the Nomination and Remuneration Committee was held on 13<sup>th</sup> August, 2018 and 27<sup>th</sup> March, 2019.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Ms. Chetna Atul Kapadia	Chairperson	Independent, Non-Executive Director	2	2
Mr. Vishnubhai Chauhan	Member	Independent, Non-Executive Director	2	2
Mr. Naresh B. Shah	Member	Non-Independent, Non-Executive Director	2	2

## III. Remuneration Policy:

The remuneration policy of the Company has been formulated by ensuring that the level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate

Directors. Remuneration of 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. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis.

**i) Remuneration to Non-Executive Directors**

During the year 2018-19, Non-Executive Directors are paid sitting fees for each meeting of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**ii) Remuneration to Managing Director**

Remuneration paid to the Executive Directors is recommended by the Nomination & Remuneration Committee, approved by the Board and is subject to the overall limits as approved by the shareholders.

Mr. Pradip B. Shah, Managing Director is not withdrawing any remuneration from the Company. The Company has entered into an agreement with Mr. Pradip B. Shah for his employment for a period of Five years. Either party to an agreement is entitled to terminate the agreement by giving not less than 30 days' notice in writing to other party. Details of the remuneration paid to Executive and Non-Executive Directors during the year 2018-19 are as under.

Name of Directors	Salary (Rs.)	Sitting Fees (Rs.)	Terms of appointment
Pradip B. Shah (DIN: 00297120)	Nil	Nil	5 years (From 29/09/2015 to 28/09/2020)
Naresh B. Shah (DIN: 01212428)	Nil	Nil	Nil
Vishnubhai G. Chauhan (DIN: 01955762)	Nil	Nil	5 years (from 30th September, 2014 to 29th September, 2019)
Chetna A. Kapadia (DIN: 07147995)	Nil	Nil	5 years from (from 30th March, 2015 to 29th March, 2020)

**C. Stakeholders' Relationship Committee**

**I. Terms of Reference:**

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. During the year under review, the terms of reference of the SRC were amended to align the role of the Committee with amendments to the Listing Regulations. The terms of reference of the SRC includes:

- Redressal of shareholders' / investors' grievances;
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividend, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders;
- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.
- Carrying out any other function as prescribed under the Equity Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## II. Composition and Attendance:

The Company has constituted Stakeholders' Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Compliance Officer acts as the secretary to the Committee. Ms. Chetna A. Kapadia, Chairperson of the Stakeholders' Relationship Committee, was present at the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2018.

During the year 2018-19, 6 (Six) meetings of the Stakeholders' Relationship Committee were held on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> September, 2018, 3<sup>rd</sup> November, 2018, 13<sup>th</sup> February, 2019 and 27<sup>th</sup> March, 2019.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name	Designation	Category	No. of meetings held	No. of meetings attended
Ms. Chetna Atul Kapadia	Chairperson	Independent, Non-Executive Director	6	6
Mr. Vishnubhai Chauhan	Member	Independent, Non-Executive Director	6	6
Mr. Naresh B. Shah	Member	Non-Independent, Non-Executive Director	6	6

## III. No. of Complaints received and resolved during the year:

Particulars	No. of Complaints
Complaints at the beginning of the year	Nil
Complaints received during the year	2
Complaints resolved during the year	1
Complaints remains unresolved at the end of the year	1

## 4. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Financial Year	Date	Time	Venue	Special Resolution passed
2017-18	27/09/2018	04:00 p.m.	701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad Gujarat-380014.	Nil
2016-17	29/09/2017	03:00 p.m.	701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad Gujarat-380014.	Nil
2015-16	30/09/2016	03:00 p.m.	7th Floor, 'A' wing, Ashoka Chambers, Rasala Marg, Ahmedabad - 380006.	Yes 1. To approve investment limit up to Rs. 20 crores.

During the year 2018-19, no Special Resolution was passed through postal ballot and there is no resolution proposed to be passed through postal ballot.

## 5. MEANS OF COMMUNICATION

- i) The quarterly, half yearly and annual financial results and other statutory information are generally communicated to the shareholders by way of an advertisement in an English newspaper viz. 'Frees Press Gujarat (English)' and in a vernacular language newspaper viz. 'Lok Mitra (Gujarati)' as per requirements of the Listing Regulations.
- ii) The Company is promptly reporting all material information including declaration of quarterly financial results, etc. to BSE Limited where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website www.indiainfraspac.com.
- iii) The financials and other material information were uploaded by the Company through BSE listing Portal.
- iv) The main channel of communication to the shareholders is through Annual Report, which includes inter-alia, the Directors' Report, Management's Discussion and Analysis, Report on Corporate Governance and Audited Financial Results.

## 6. GENERAL SHAREHOLDERS INFORMATION

### A. General Information:

1.	Annual General Meeting		
	Date and Time	:	30/09/2019
	Venue	:	701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad Gujarat-380014.
2.	Financial Year	:	1 <sup>st</sup> April to 31 <sup>st</sup> March
3.	Book Closure Date	:	24/09/2019 to 30/09/2019
4.	Dividend Payment Date	:	Nil
5.	Listing on Stock Exchange		
	Equity Shares	:	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
6.	Listing Fees	:	Company has paid the annual listing fees for the financial year 2019-20 to the above Stock Exchanges.
7.	Stock Code		
	BSE Limited	:	531343
	ISIN for Equity Shares	:	INE954M01031

**B. Market Price Data:**

Below mentioned are the details of high/low, Number and Value of shares traded during each month in the last financial year.

Month	Bombay Stock Exchange	
	High	Low
Apr-18	10.65	9.65
May-18	10.10	10.10
Jun-18	10.10	5.80
Jul-18	5.51	5.00
Aug-18	5.00	4.75
Sep-18	4.75	4.75
Oct-18	4.52	4.52
Nov-18	4.52	4.50
Dec-18	4.52	4.50
Jan-19	4.52	4.50
Feb-19	4.28	4.07
Mar-19	4.07	4.07

**C. Registrar & Share Transfer Agent:**

Name and Address : 23, 3rd Floor, Sarthik Complex,  
Nr. Fun Republic, Iscon Cross Road,  
Satellite, Ahmedabad, Gujarat-380015

Phone : +91-79-48000319

Email : accurate.rta@gmail.com

Website : www accuratesecurities.com

**D. Share Transfer System:**

Since the Company's shares are compulsorily traded in the demat segment on stock exchanges, the transfers take place in the electronic form. However, shares in the physical form are processed by the Registrar & Share Transfer Agents. The Company has a Stakeholders' Relationship Committee for redressing the complaints / queries of shareholders and investors.

With effective from 1<sup>st</sup> April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

Pursuant to Regulation 40(9) of the Listing Regulations with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate has also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for



reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchanges as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**E. Shareholding as on 31<sup>st</sup> March, 2019:**

**i) Distribution of Shareholding as on 31<sup>st</sup> March, 2019**

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Capital
1 – 500	6975	86.8618	955733	0.2713
501 – 1000	411	5.1183	345240	0.0980
1001 – 2000	227	2.8269	366335	0.1040
2001 – 3000	77	0.9589	199792	0.0567
3001 – 4000	40	0.4981	145266	0.0412
4001 – 5000	43	0.5355	207411	0.0589
5001 – 10000	95	1.1831	734051	0.2084
10001 & Above	162	2.0174	349271388	99.1614
<b>Total</b>	<b>8030</b>	<b>100.00</b>	<b>352225216</b>	<b>100.00</b>

**ii) Categories of Shareholders as on 31<sup>st</sup> March, 2019**

Category	Total No. of Shares	% of holding
Promoters	1859501	66.41
Mutual Fund	0	0
Banks/Financial Institutions/Central Govt./State Govt./Trusts & Insurance Companies	0	0
FII / Foreign Portfolio Investors	0	0
NRI (Repatriable & Non-Repatriable)	700	0.03
Corporate Bodies	612607	21.88
Indian Public / HUF	8227	0.29
Others	318965	11.39
<b>Total</b>	<b>2800000</b>	<b>100.00</b>

**F. Dematerialization of Shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialized form. Equity Shares of the Company representing 96.41% of the Company's paid up share capital are in dematerialized form as on 31<sup>st</sup> March, 2019 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Details of which are as under.

Sr.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	2287813	81.71
2	CDSL	411633	14.70
3	Physical	100554	3.59
<b>Total</b>		<b>2800000</b>	<b>100.00</b>

The Company's shares are regularly traded on the 'BSE Limited'.

ISIN number for dematerialization of the equity shares of the Company is INE954M01031.

- G. **Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity:** The Company has not issued any GDRs/ADRs/warrants or any convertible instruments.
- H. **Commodity price risk or foreign exchange risk and hedging:** Not Applicable
- I. **Plant Locations:** The Company does not have any manufacturing plant.
- J. **Address for Correspondence:** Shareholders may correspond at the Company of Company or at the office of Registrar & Transfer Agent at the below mentioned addresses.
- K. **Credit Rating:** Nil

## 7. OTHER DISCLOSURES

- A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year 2018-19, were in the ordinary course of business and on an arm's length basis. There were no materially significant Related Party Transactions during the financial year 2018-19 that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Board has approved a policy for related party transactions which is uploaded on the website of the Company.

- B. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. Further, there are no penalties or strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market during the last three years.

- C. In accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The said policy is uploaded on the website of the Company.

All protected disclosures should be in writing and can be submitted by hand delivery or by courier or post or by electronic mode addressed to the Chairman of the Audit Committee of the Company at the registered office of the Company.

- D. **Code of Conduct for Prevention of Insider Trading:** The Company has adopted the Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made by insiders while trading in the securities of the Company.

Compliance Officer for ensuring compliance with and for the effective implementation of the Regulations and the Code across the Company. The Company has also adopted a Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Unpublished Price Sensitive Information ('UPSI') by the Company to enable the investor community to take informed investment decisions with regard to the Company's shares. During the year under review, both the above Codes were amended to align them with the amendments to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Corporate Disclosure Practices along with the Policy for Determination of Legitimate Purposes is also available on the website of the Company at [www.indiainfraspace.com](http://www.indiainfraspace.com)

- E. The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Regulation 46 (1) & (2) relating to the dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:

The following non-mandatory requirements have been adopted by the Company:

- a) Office for non-executive Chairman at company's expense: No
  - b) Separate posts of Chairman & CEO: Not applicable
  - c) The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and consolidated) of the Company for the quarter and year ended on 31<sup>st</sup> March, 2019.
  - d) The Internal Auditors report directly to the Audit Committee.
- F.** The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company.
- G.** Mr. Jigar Thakkar, Company Secretary in Practice has issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- H.** Company has obtained a certificate affirming the compliances from M/s. Jigar Thakkar & Associates, Practicing Company Secretaries and the same is attached to this report.
- I.** The Managing Director and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31<sup>st</sup> March, 2019 in compliance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is attached to this report.
- J.** The Company has a well-defined risk management framework in place. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing process and the Board members are periodically informed of the status.
- K.** The Board of Directors has adopted the Code of Conduct for Directors and Senior Management and the same has been placed on the Company's website [www.indiainfraspac.com](http://www.indiainfraspac.com). All Board Members and Senior Personnel have affirmed compliance of Code of Conduct. A declaration signed by the Managing Director to this effect is attached to this report.
- L.** In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed an Insider Trading Code to avoid any insider trading and it is applicable to all Directors, Officers and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The said code laid down guidelines, which advices them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company. The code has been placed on the Company's website.
- M.** A Management Discussion and Analysis Report forms part of this Annual Report and includes discussion on various matters specified under Regulation 34(2)(e) and Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- N.** In preparation of financial statements, the Company has followed the Indian Accounting Standards (IndAS) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- O.** Details of utilisation of funds: The Company has not raised any funds through preferential allotment or qualified institutions placement.
- P.** Confirmation by the Board of Directors regarding acceptance of recommendation of all Committees: In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees, if any.

**Q.** Fees paid to Statutory Auditor: Fees were paid by the Company and its subsidiaries, on a consolidated basis, for all services to respective Statutory Auditors and all entities in the network firm/ network entity of which they are part.

**R.** Prevention, prohibition and redressal of sexual harassment at workplace: Status of complaints in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 for the FY 2018-19 is as follows:

Number of complaints filed during the financial year: Nil

Number of complaints disposed of during the financial year: Nil

Number of complaints pending as on end of the financial year: Nil

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#### DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all members of the Board and Senior Management personnel have affirmed compliance with Code of Conduct for the year ended 31<sup>st</sup> March, 2019.

For, India Infraspac Limited

Place : Ahmedabad

Date : 30/05/2019

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

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#### NON-APPLICABILITY OF REGULATION 27(2) OF SEBI (LODR) REGULATIONS, 2015 REGARDING SUBMISSION OF REPORT ON CORPORATE GOVERNANCE

This is to certify that in order to comply with Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with, Regulation 15 (2) (a) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Paid up capital of India Infraspac Limited is not exceeding Rs. 10 Crores i.e. Rs. 2,80,00,000/- (Rupees Two Crore Eighty Lacs only) and the Net worth is less than Rs. 25 Crores as on the last day of the previous financial year i.e. 31<sup>st</sup> March, 2019.

Hence, it is not required to submit Report on Corporate Governance for the Quarter ended on March 31, 2019.

For, India Infraspac Limited

Place : Ahmedabad

Date : 30/05/2019

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY**

We, Pradip B. Shah, Managing Director and Pankaj B. Shah, Chief Finance Officer of India Infraspac Limited ('the Company'), certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - ii) 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) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2019 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 the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place :** Ahmedabad

**Date :** 30/05/2019

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Pankaj B. Shah**  
Chief Financial Officer

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**India Infraspac Limited**

We have examined the Compliance Conditions of Corporate Governance by India Infraspac Limited for the year ended on 31<sup>st</sup> March, 2019 as per Para E of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has materially complied with the conditions of Corporate Governance as stipulated Listing Regulations.

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

**For, Jigar Thakkar & Associates**

**Company Secretaries**

**Jigarkumar Thakkar**

Proprietor

C.P. No. 11021

M. No. 9327

**Place :** Ahmedabad

**Date :** 30/05/2019

## Management Discussion and Analysis

The operational performance and future outlook of the business has been reviewed by the management based on current resources and future development of the Company.

### CAVEAT

Under this section of the Annual Report 2018-2019 in adherence to the rules and regulations as mandated by the Securities and Exchange Board of India, we would like to provide a statutory warning to the stakeholders and readers alike. The projections listed here along with describing the Company's objectives and approximate estimate may be forward looking in the current scenario and set in the framework meaning of applicable securities laws and regulations. Actual results, performances, achievements or subsequence of events may differ materially from those expressed or implied. The case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Therefore, all concerned are requested to caution themselves from putting undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regards to their own specific objective. Furthermore, the discussion following herein reflects the perception on major issues that could influence the Company's operations' substantial downside risks are as on date and the opinions expressed herewith are subjected to change without prior notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward- looking statements expressed in this report, consequent to any new information, future events or otherwise.

Along with predictions of the future based on the foundation of existing scenario, the company presents its annual report for the year 2018-2019.

### INDUSTRY STRUCTURE AND DEVELOPMENT:

India's economy is expected to witness rational growth in FY 2018-19. The Company is in business of trading of various Steel Products, IT and electronic products and also into various IT enabled services. Business conditions continue to be challenging. The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time. As per World Steel Association, crude steel production in India increased by 5.3 % in 2018 as compared to 2017. Indian IT's core competencies and strengths have attracted significant investments from major countries. Despite the challenges such as the continued technology slowdown in the global market, strong fundamentals and core value position of the software and services industry led to outperforming all other sectors in the country.

### Opportunities & Threats:

Business conditions continue to be challenging. The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time such as:

- Abundant resources of iron ore
- Low cost and efficient labour force
- Strong managerial capability
- Strongly globalised industry and emerging global competitiveness
- Economies of scale

Threats for the company can be illustrated as below:

- Global economic slow down
- Market fluctuations

- Change in government policies and regulations
- Dumping of steel by developed countries
- Higher duties and taxes

**SEGMENT WISE OR PRODUCT WISE PERFORMANCE:**

Details on segment wise performance of the Company is provided separately in Notes to Accounts.

**OUTLOOK, RISKS & CONCERNS:**

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company as part of business strategy has in place a mechanism to identify, assess, monitor risks and mitigate various risks with timely action. Risks are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

**INTERNAL CONTROL SYSTEM:**

Your Company has clearly laid down policies, guidelines and procedures that form part of the internal control system which provide for automatic checks and balances. All operating parameters are monitored and controlled. Regular internal audit and checks ensure the effectiveness and efficiency of these systems to ensure that all assets are protected against loss and that the financial and operational information is complete and accurate.

**CEO AND CFO CERTIFICATION:**

Mr. Pradip B. Shah, Managing Director, has given certificate to the Board as contemplated in SEBI Listing Regulations.

**HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION:**

Your Company has complied with all the applicable environmental laws and labor laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

**FINANCIAL OVERVIEW**

The Group's financial performances for the year under review along with previous year's figures are given hereunder:

(Rs. In Lacs)

PARTICULARS	Standalone		Consolidated*
	2018-19	2017-18	2018-19
Revenue from Operations	268.22	3,530.41	668.52
Other Income	0.67	0.00	15.86
Total Revenue	268.89	3,530.41	684.38
Profit (Loss) Before Taxation	(10.99)	3.12	(14.82)
Tax Expense	0.00	0.00	(2.54)
Profit/(Loss) for the period after tax and minority interest	(10.99)	3.12	(12.28)
Other comprehensive income	0.00	0.00	0.00
<b>Total comprehensive income (after tax)</b>	<b>(10.99)</b>	<b>3.12</b>	<b>(12.28)</b>

\* Since, your Company has acquired Shaurya Casting Private Limited on 12<sup>th</sup> September, 2018, comparable figures for consolidation are available for the year 2018-19 only.



In accordance with the SEBI (Listing Obligations Disclosure Requirements 2018) Amendment Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector- specific financial ratios along with detailed explanations.

PARTICULARS	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Debtors Turnover	1.61 Times	17.57 Times	2.24 Times	17.57 Times
Inventory Turnover	0	0	1.81 Times	0
Interest Coverage Ratio	(0.03)	0	0.53 Times	0
Current Ratio	0.88	1.06	0.95	1.06
Debt Equity Ratio	3.59	8.07	7.74	8.07
Operating Profit Margin (%)	(0.04)	0	0.02	0
Net Profit Margin (%)	(0.04)	0	(1.79)	0
Return on net worth *	(0.04)	0.01	(0.05)	0.01

#### HUMAN RESOURCE DEVELOPMENT

The business strongly believes that people are the prime assets of the organization, and implements new initiatives to train and motivate them. A major part of the company strategy is satiated towards our employees whose relentless support and devotion took our company to great heights. As on 31<sup>st</sup> March, 2019, the employee strength of the Company was 2 excluding trainees.

## Standalone Independent Auditor's Report

To the Members of India Infraspac Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **INDIA INFRASPACE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Matter of Emphasis:

- We draw the attention regarding non charging of Interest on Loans & Advances to Related Parties and other parties' u/s. 186 of the Companies Act, 2013
- The company is carrying Pre-Operative Expenses of Rs.33,19,207/- as "other current assets" which in our opinion needs to be written off. And Due to the same Profit & Loss account is under stated. So the amount of **Rs. 33,19,207/-** needs to be written off in the forthcoming financial years.

Our opinion is not qualified in respect of this matter.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the matter of emphasis paragraph above, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March, 2019**

To,  
The Members of India Infraspac Limited

**(1) In Respect of Fixed Assets**

- (a) The Company is not having any Fixed Assets in the Books of Accounts. So the records maintenance related question does not arise.
- (b) The Company is not having any Fixed Assets in the Books of Accounts. So Physical Verification related question does not arise at all.
- (c) As per the information & explanation provided to us & on the basis of our verification, We have observed that the company is not having any Immovable Property on its own name.

**(2) In Respect of Inventories**

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.

**(3) Compliance under section 189 of The Companies Act, 2013**

The Company has not granted any loan to the parties covered in the register maintained u/s 189 of the companies Act, 2013.

- (a) As there is no such loan, question of prejudicially does not arise.
- (b) As there is no such loan, question of repayment terms & conditions also does not arise.
- (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

**(4) Compliance under section 185 and 186 of The Companies Act , 2013**

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

According to information and explanations given to us, the Company has not accepted any deposits from public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

**(6) Maintenance of cost records**

The Company is not required to maintain cost Records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**(7) Deposit of Statutory Dues**

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Goods and Services Tax, Cess and any other material statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Goods And Services Tax, Customs Duty and Excise Duty were in arrears, as of 31st March, 2019 for a period of more than six months from the date they became payable.

**(8) Repayment of Loans and Borrowings**

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

**(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However money raised by way of term loans have been applied for the purposes for which they have been obtained.

**(10) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(11) Managerial Remuneration**

Managerial Remuneration has not been provided by the Company

**(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**(13) Related party compliance with Section 177 and 188 of companies Act – 2013**

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

**(15) Compliance under section 192 of Companies Act – 2013**

The company has not entered into any non-cash transactions with directors or persons connected with him.

**(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

Place : Ahmedabad

Date : 30/05/2019

**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 **M/S. INDIA INFRASPACE LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2019.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019

## BALANCE SHEET AS AT 31/03/2019

Particulars	Note No.	As at	
		31st March, 2019	31st March, 2018
<b>ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property , Plant and Equipment		-	-
(b) Capital work in progress		-	-
(c) Other Intangible assets			
(d) Intangible assets under development		-	-
(e) Financial Assets :			
i) Investments	1	2,26,10,000	-
ii) Loans	2	1,26,44,628	1,41,74,343
iii) Other Financial Assets		-	-
(f) Deferred tax assets (Net)		-	-
(g) Other non-current assets		-	-
<b>Total Non-current Assets</b>		<b>3,52,54,628</b>	<b>1,41,74,343</b>
<b>2 Current Assets</b>			
(a) Inventories			
(b) Financial Assets :			
i) Investments			
ii) Trade Receivables	3	97,43,522	2,35,65,103
iii) Cash & Cash Equivalents	4	1,54,837	2,87,293
iv) Loans	5	6,52,80,781	19,34,86,897
v) Other Financial Assets			
(c) Other Current Assets	6	33,19,207	33,19,207
<b>Total - Current Assets</b>		<b>7,84,98,347</b>	<b>22,06,58,500</b>
<b>Total Assets</b>		<b>11,37,52,975</b>	<b>23,48,32,843</b>
<b>I. Equity &amp; Liabilities</b>			
<b>1. Equity</b>			
(a) Share Capital	7	2,80,00,000	2,80,00,000
(b) Other Equity	8	(32,12,945)	(21,13,673)
<b>Total Equity</b>		<b>2,47,87,055</b>	<b>2,58,86,327</b>
<b>2. Liabilities</b>			
<b>A) Non Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Non Current Liabilities		-	-
<b>Total Non- Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>B) Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	9	27,44,142	7,95,46,849
ii) Trade Payables	10	8,54,28,959	11,98,03,485
iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	11	6,27,969	94,98,032
(c) Short Term Provisions	12	1,64,850	98,150
<b>Total Current Liabilities</b>		<b>8,89,65,920</b>	<b>20,89,46,516</b>
<b>Total Equity &amp; Liabilities</b>		<b>11,37,52,975</b>	<b>23,48,32,843</b>
Contingent Liabilities & Commitments	Nil		

For India Infraspace Ltd.

For, G M C A &amp; Co.

Chartered Accountants

FRN No:109850W

Pradip B. Shah

Managing Director

DIN : 00297120

Place : Ahmedabad

Date : 30/05/2019

Naresh B. Shah

Director

DIN : 01212428

Nidhi D. Bhatt

Secretary

Pankaj B. Shah

CFO

CA. Mitt S. Patel

Partner

Membership No. 163940

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01-04-2018 TO 31-03-2019**

Particulars	Note No.	2018-19	2017-18
I Revenue From Operations	13	2,68,21,985	35,30,40,696
II Other Income	14	66,800	-
<b>III Total Revenue (I+II)</b>		<b>2,68,88,785</b>	<b>35,30,40,696</b>
<b>IV Expenses</b>			
Purchase of Stock in Trade	15	2,67,56,238	35,21,83,744
Changes in Inventories		-	-
Employee Benefit Expenses		-	-
Finance Costs	16	39,383	1,803
Depreciation & Amortisation Expenses		-	-
Other Expenses	17	11,92,437	5,43,623
<b>Total Expenses</b>		<b>2,79,88,058</b>	<b>35,27,29,170</b>
<b>V Profit Before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
VII Exceptional Items			-
<b>VIII Profit Before Extraordinary Items &amp; Tax</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
Extraordinary Items			-
<b>IX Profit Before Tax</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
<b>X Tax Expenses</b>			
Current Tax/ Interest on Income Tax/ Deferred Tax			
<b>XI Profit/(Loss) for the period from Continuing Operations(IX-X)</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
XII Profit/(Loss) from Discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
<b>XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>			-
<b>XV Profit/(Loss) for the Period(XI+XIV)</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>(10,99,273)</b>	<b>3,11,526</b>
<b>XVI Earning Per Equity Share</b>			
Basic		(0.39)	0.11
Diluted		(0.39)	0.11

The Notes referred to above form an integral part of the Balance Sheet

For India Infraspac Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Secretary

**Pankaj B. Shah**  
CFO

**CA. Mitt S. Patel**  
Partner

**Place :** Ahmedabad  
**Date :** 30/05/2019

Membership No. 163940



## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

A. Equity Share Capital Amount in Rs.

Particulars	2018-19		2017-18	
	No. Shares	Amount	No. Shares	Amount
i) Opening Balance at the beginning of Financial Year	28,00,000	2,80,00,000	28,00,000	2,80,00,000
Changes in equity share capital during the year	-	-	-	-
<b>Closing Balance at the end of Financial Year</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

B. Other Equity Amount in Rs.

Particulars	Reserves and Surplus			Total
	Security Premium	Revaluation reserve	Retained Earnings	
Balance as at 1st April, 2017	1,07,61,500	-	(1,65,35,699)	(57,74,199)
Change during the Year	-	33,49,000	3,11,526	36,60,526
<b>Balance as at March 31, 2018</b>	<b>1,07,61,500</b>	<b>33,49,000</b>	<b>(1,62,24,173)</b>	<b>(21,13,673)</b>
Change during the Year	-	-	(10,99,273)	(10,99,273)
Other comprehensive income	-	-	-	-
<b>Total Comprehensive Income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>(10,99,273)</b>	<b>(10,99,273)</b>
<b>Balance as at March 31, 2019</b>	<b>1,07,61,500</b>	<b>33,49,000</b>	<b>(1,73,23,445)</b>	<b>(32,12,945)</b>

See accompanying notes to the financial statements

In terms of our report attached

For India Infraspac Ltd.

**Pradip B. Shah**  
 Managing Director  
 DIN : 00297120  
 Place : Ahmedabad  
 Date : 30/05/2019

**Naresh B. Shah**  
 Director  
 DIN : 01212428

**Nidhi D. Bhatt**  
 Secretary

**Pankaj B. Shah**  
 CFO

**For, G M C A & Co.**  
**Chartered Accountants**  
 FRN No:109850W

**CA. Mitt S. Patel**  
 Partner  
 Membership No. 163940

**CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	2018-19	2017-18
<b>A Cash flow from Operating Activities</b>		
Net Profit Before Tax	(10,99,273)	3,11,526
Adjustments for:		
Add : Depreciation	-	-
Less : Dividend Income	-	-
Add : Interest Expenses	34,380	-
Operating Profit / (Loss) before Working Capital Changes	<b>(10,64,893)</b>	<b>3,11,526</b>
Adjustments for:		
Increase/(Decrease) in Trade Payable	(3,43,74,526)	10,10,93,447
Increase/(Decrease) in other current liabilities	(88,70,063)	79,15,626
Increase/(Decrease) in Short Term Borrowings	(7,68,02,707)	4,27,28,270
Increase/(Decrease) in Provisions	66,700	71,509
(Increase)/Decrease in Trade Receivables	1,38,21,581	(69,36,408)
(Increase)/Decrease Short term Loan & Advances	12,82,06,117	(15,30,51,298)
(Increase)/Decrease in other current assets	-	1,612
<b>Cashflow generated from Operating Activities</b>	<b>2,09,82,210</b>	<b>(78,65,716)</b>
Income Tax Paid ( Net of Refund)	-	-
<b>Net Cashflow generated from Operating Activities A</b>	<b>2,09,82,210</b>	<b>(78,65,716)</b>
<b>B Cash flow from Investment Activities</b>		
Purchase of Property , Plant and Equipment	-	-
Sale of Investments	-	-
Purchase of Investments	(2,26,10,000)	-
Dividend Income	-	-
<b>Net Cashflow generated from Investments Activities B</b>	<b>(2,26,10,000)</b>	<b>-</b>
<b>C Cash flow from Financiag Activities</b>		
Interest Expenses	(34,380)	-
Increase in Reserve	-	-
Increase/(Decrease) in Share Capital	-	-
(Increase)/Decrease in other non-current assets	-	77,63,420
(Increase)/Decrease in Long term loans & advances	15,29,715	-
Net Change in Unsecured Loans Taken	-	-
Movement in Loans & Advances Granted	-	-
<b>Net Cashflow generated from Financing Activities C</b>	<b>14,95,335</b>	<b>77,63,420</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1,32,455)</b>	<b>(1,02,296)</b>
Opening Cash & Cash Equivalents	2,87,293	3,89,589
<b>Closing Cash &amp; Cash Equivalents</b>	<b>1,54,837</b>	<b>2,87,293</b>

For India Infraspac Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850WPradip B. Shah  
Managing Director  
DIN : 00297120Naresh B. Shah  
Director  
DIN : 01212428Nidhi D. Bhatt  
SecretaryPankaj B. Shah  
CFOPlace : Ahmedabad  
Date : 30/05/2019CA. Mitt S. Patel  
Partner  
Membership No. 163940

➤ **Significant Accounting Policies**

**Company Overview**

India Infraspac Limited (“the company”) is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products and in the electronic items. The company is listed on Bombay Stock Exchange.

**Basis for Preparation of Financial statements**

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

The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

standards on an on-going basis.

**Financial Instruments**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Financial assets**

**Initial recognition and measurement**

All financial asset, are recognized initially at fair value.

**Financial liabilities and equity instruments**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are measured at amortized cost using the effective interest method or at FVTPL.

**Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the ‘Finance costs’ line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

**Revenue recognition**

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance obligation:

The revenue is recognized on fulfilment of performance obligation.

Sale of products:

The Company earns revenue primarily from sale of steel products and electronic items.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision.

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**Taxation**

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares

considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**1 Investment**

Particulars	As at	
	31st March, 2019	31st March, 2018
(1) Investment in Equity Shares		
161500 Equity Shares Shaurya Casting Pvt Ltd @ RS.140 each	2,26,10,000	-
<b>Total</b>	<b>2,26,10,000</b>	<b>-</b>

**2 Non-Current Loans**

Particulars	As at	
	31st March, 2019	31st March, 2018
Other Long Term Loans & Advances	6,77,846	15,19,143
Balance with Government Authorities	1,16,19,400	97,65,300
Loan to Corporate Bodies	-	-
Loan to Related Parties	3,47,382	28,89,900
Other Loans		
<b>Total</b>	<b>1,26,44,628</b>	<b>1,41,74,343</b>

**3 Trade Receivables**

Particulars	As at	
	31st March, 2019	31st March, 2018
Outstanding for less than 6 months from the due date	-	1,04,80,415
Unsecured, considered good		
Outstanding for more than 6 months from the due date	97,43,522	1,30,84,688
Unsecured, considered good		
<b>Total</b>	<b>97,43,522</b>	<b>2,35,65,103</b>

**4 Cash & Cash Equivalents**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Balances with Banks</b>	<b>26,475</b>	<b>1,30,931</b>
In Current Account	26,475	1,30,931
<b>Cash on Hand</b>	<b>1,28,362</b>	<b>1,56,362</b>
<b>Total</b>	<b>1,54,837</b>	<b>2,87,293</b>

**5 Short term Loans & Advances**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Other Loans &amp; Advances</b>		
<b>Unsecured, Considered good</b>		
Loan to Corporate Bodies	6,52,80,781	11,34,86,897
Loan to Related Parties	-	-
Other Loans	-	8,00,00,000
Advance Tax and TDS Receivables	-	-
<b>Total</b>	<b>6,52,80,781</b>	<b>19,34,86,897</b>

**6 Other Current Assets**

Particulars	As at	
	31st March, 2019	31st March, 2018
Prepaid Expense	-	-
Pre-Operative Expenses	33,19,207	33,19,207
<b>Total</b>	<b>33,19,207</b>	<b>33,19,207</b>

**7 Share Capital****1 Authorized, Issued, Subscribed and Paidup share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 Each	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
<b>Total</b>				
<b>Issued Share Capital</b>				
Equity Shares of Rs. 10 Each	28,00,000	2,80,00,000	28,00,000	2,80,00,000
<b>Total</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>
<b>Subscribed &amp; Fully Paid</b>				
Equity Shares of Rs. 10 Each	28,00,000	2,80,00,000	28,00,000	2,80,00,000
<b>Total</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

**2 Reconciliation of Share Capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b> (Face Value Rs. 10.00)				
Shares Outstanding at the Beginning of the Year	28,00,000	2,80,00,000	28,00,000	2,80,00,000
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	-	-
<b>Shares Outstanding at the End of the Year</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

**3 Share Holders Holding More than 5% Share**

Name of the Share Holders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Vastupal Steel & Spares Pvt Ltd	1019501	36.41	1019501	36.41
Prakash B Shah	140000	5.00	140000	5.00
Pankaj B Shah	140000	5.00	140000	5.00
Jitendra B Shah	140000	5.00	140000	5.00
Hemendra B Shah	140000	5.00	140000	5.00
Pradip B Shah	140000	5.00	140000	5.00
Naresh B Shah	140000	5.00	140000	5.00
Ashnisha Industries Ltd	301322	10.76	301322	10.76
Ardent Ventures LLP	301280	10.76	301280	10.76

**8 Other Equity**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Capital Reserve</b>		
Share Forfeiture A/c	1,07,61,500	1,07,61,500
<b>Closing Balance</b>	<b>1,07,61,500</b>	<b>1,07,61,500</b>
<b>General Reserve</b>		
Opening balance	33,49,000	33,49,000
+ Adjustment in pursuant to the scheme of Demerger	-	-
<b>Closing Balances</b>	<b>33,49,000</b>	<b>33,49,000</b>
<b>Profit &amp; Loss A/c</b>		
Opening balance	(1,62,24,173)	(1,65,35,699)
(-) Transfer of Current Year Loss	(10,99,273)	3,11,526
<b>Closing balance</b>	<b>(1,73,23,445)</b>	<b>(1,62,24,173)</b>
<b>Total</b>	<b>(32,12,945)</b>	<b>(21,13,673)</b>

**9 Short term Borrowings**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Unsecured Loans repayable on Demand</b>		
Loan from Directors	-	23,25,000
Loan From Body Corporate	27,44,142	7,72,21,849
<b>Total</b>	<b>27,44,142</b>	<b>7,95,46,849</b>

**10 Trade Payables**

Particulars	As at	
	31st March, 2019	31st March, 2018
Due to Micro & Small Enterprises		
Trade Payable for Goods	8,50,26,347	11,69,65,454
Trade Payable for Expenses	4,02,612	3,47,817
Others	-	24,90,214
<b>Total</b>	<b>8,54,28,959</b>	<b>11,98,03,485</b>

The Company has not received any intimation on suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro, Small and Medium Enterprise regarding:

- Amount due and outstanding to suppliers as at the end of the accounting year;
- interest paid during the year;
- interest payable at the end of the accounting year;
- interest accrued and unpaid at the end of the accounting year;

have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.



**11 Other Current Liabilities**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Statutory Dues	31,132	8,922
Advance from Trade Receivable	5,96,837	94,89,110
<b>Total</b>	<b>6,27,969</b>	<b>94,98,032</b>

**12 Short Term Provisions**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Unpaid Audit Fees	1,53,400	76,700
Unpaid Legal Fees	-	10,000
Unpaid Professional Fees	11,450	11,450
<b>Total</b>	<b>1,64,850</b>	<b>98,150</b>

**13 Revenue from Operations**

Particulars	2018-19	2017-18
<b>(A) Sale of Products</b>	<b>2,68,21,985</b>	<b>35,30,40,696</b>
(1) Sale of Steel & Electronic Products	2,68,21,985	35,30,40,696
<b>Total</b>	<b>2,68,21,985</b>	<b>35,30,40,696</b>

**14 Other Income**

Particulars	2018-19	2017-18
Interest on Income Tax Refund	66,800	-
Miscellaneous Income	-	-
<b>Total</b>	<b>66,800</b>	<b>-</b>

**15 Purchase of Stock in Trade**

Particulars	2018-19	2017-18
<b>(A) Purchase of Products</b>		
(1) Purchase of Steel & Electrical Product	2,67,56,238	35,21,83,744
<b>Total</b>	<b>2,67,56,238</b>	<b>35,21,83,744</b>

**16 Finance Costs**

Particulars	2018-19	2017-18
Interest Expense	34,380	-
Bank Charges	5,003	1,803
<b>Total</b>	<b>39,383</b>	<b>1,803</b>

**17 Other Expenses**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Payment to Auditors *	76,700	76,700
Miscellaneous Expenses	11,15,737	4,66,923
Annual Listing Fees	2,59,350	-
Corporate Action Fees	-	13,318
Balance Written Off	5,59,786	-
Share Transfer Charges	45,000	47,500
Legal & Professional Charges	1,14,560	3,01,500
Other Miscellaneous Expenses	69,941	1,04,605
Short Provision of income Tax	67,100	-
<b>Total</b>	<b>11,92,437</b>	<b>5,43,623</b>
* Payment to Auditors		
For Audit Fees	76,700	76,700
For Others	-	-

**18. Notes on Accounts**➤ **Contingent Liabilities**

There is no contingent liability as informed by management.

➤ **Related Party Transactions:-**

As per Indian Accounting Standard (Ind AS -24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

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

Sr. No.	Name	Relationship
1	Pankaj B Shah	CFO
2	Naresh B Shah	Director
4	Pradip B Shah	Director
4	Vishnubhai G Chauhan	Director
5	Chetna A Kapadiya	Director
6	Nidhi D Bhutt	Company Secretary
7	Shaurya Casting Pvt. Ltd.	100% owned Subsidiary
8	Vastupal Steel & Spare Pvt. Ltd.	Group Company
9	Vastupal Bearing Races Ltd	Group Company
10	Mukta Industries Pvt. Ltd	Group Company
11	Mukta Automation Pvt. Ltd	Group Company
12	Naresh B Shah HUF	Relative of Key Managerial Personnel
13	Pradip B Shah HUF	Relative of Key Managerial Personnel

➤ **Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2018 to March 31, 2019 with related parties by the company stated below.

Sr. No.	Name	Nature of the Transaction	Amount 2018-19	Amount 2017-18
1	Vishnubhai G Chauhan	Loan Taken	-	-
		Loan Repaid	23,25,000	-
		<b>Closing Balance</b>	-	<b>23,25,000</b>
2	Vastupal Steel & Spare Pvt Ltd	Loan Granted	1,53,19,413	-
		Loan Recovered	60,86,977	-
		<b>Closing Balance</b>	<b>93,40,200</b>	<b>1,48,677</b>
		Purchase 30685 Shares of Shaurya Casting Pvt Ltd@140/- Payement	42,95,900	-
		<b>Closing Balance</b>	<b>NIL</b>	-
3	Mukta Industries Pvt Ltd	Loan Taken	4,11,100	-
		Loan Repaid	-	-
		<b>Closing Balance</b>	<b>2,84,748</b>	<b>1,26,352</b>
		Purchase	-	-
		Payment/Sales	3,62,02,284	29,99,60,998
		<b>Closing Balance (Creditor)</b>	<b>8,07,30,446</b>	<b>18,30,28,267</b>
		Purchase 30,685 Shares of Shaurya Casting Pvt Ltd@140/- Payement	42,95,900	<b>11,69,32,730</b>
<b>Closing Balance</b>	<b>NIL</b>	-		
4	Mukta Automation Pvt Ltd	Loan Granted	54,26,400	-
		Loan Recovered	-	-
		<b>Closing Balance</b>	<b>22,79,200</b>	<b>77,05,600</b>
5	Naresh B Shah	Purchase 19,380 Shares of Shaurya Casting Pvt Ltd@140/- Payement	27,13,200	-
		<b>Closing Balance</b>	<b>NIL</b>	-
		Purchase 9690 Shares of Shaurya Casting Pvt Ltd@140/- Payement	13,56,000	-
6	Naresh B Shah HUF	<b>Closing Balance</b>	<b>NIL</b>	-
		Purchase 19380 Shares of Shaurya Casting Pvt Ltd@140/- Payement	27,13,200	-
		<b>Closing Balance</b>	<b>NIL</b>	-
7	Pradip B Shah	Purchase 9690 Shares of Shaurya Casting Pvt Ltd@140/- Payement	13,56,000	-
		<b>Closing Balance</b>	<b>NIL</b>	-
		Purchase 9690 Shares of Shaurya Casting Pvt Ltd@140/- Payement	13,56,000	-
8	Pradip B Shah HUF	<b>Closing Balance</b>	<b>NIL</b>	-

➤ **Payment to the Auditors**

Particulars	2018-19	2017-18
Audit Fees	76,700	76,700
Others	0	0
<b>Total</b>	<b>76,700</b>	<b>76,700</b>

➤ **Segment Reporting:**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Information Technology Services
- Trading of Goods
- Others

(Amount in Lacs)

Particulars	Steel		I.T. Services		Trading of Goods		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Segment Revenue</b>	268.22	3530.41	-	-	-	-	-	-	268.22	3530.41
External Turnover	268.22	3530.41	-	-	-	-	-	-	268.22	3530.41
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	<b>268.22</b>	<b>3530.41</b>	-	-	-	-	-	-	<b>268.22</b>	<b>3530.41</b>
Less: Service Tax Recovered	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	<b>268.22</b>	<b>3530.41</b>	-	-	-	-	-	-	<b>268.22</b>	<b>3530.41</b>

(Amount in Lacs)

Particulars	Steel		I.T. Services		Trading of Goods		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Segment Results before Interest &amp; Taxes</b>	0.66	8.57	-	-	-	-	0.67	-	1.33	8.57
Less: Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	-	-	(12.32)	(5.45)
<b>Net Profit / (Loss) before Tax</b>	-	-	-	-	-	-	-	-	<b>(10.99)</b>	<b>3.12</b>

➤ **Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of Ind AS-33.

Particulars	31-03-2019	31-03-2018
Net Profit Attributable to share holders	(10,99,273)	3,11,526
Weighted average number of equity shares (Nos.)	28,00,000	28,00,000
Basic and diluted earnings per share (Rs.)	(0.39)No EPS	0.111
Nominal value of equity share (Rs.)	10	10

➤ **Details of loan made during the year 2018-19 as per section 186(4) of The Companies Act 2013**

(Amount in Rs.)

Name of the Entity	Nature of Transaction	Amount (Outstanding)	Purpose of Loan	Period
Vastupal Steel and Pares Pvt Ltd	Loan Given	93,40,200	Business	Short Term Advances – On Demand

➤ **Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

Particulars	As at	
	31st March, 2019	31st March, 2018
Total equity attributable to the equity share holders of the company	2,80,00,000	2,80,00,000
As percentage of total capital	91.54%	26.10%
Current loans and borrowings	27,44,142	7,95,46,849
Non-current loans and borrowings	-	-
<b>Total loans and borrowings</b>	<b>27,44,142</b>	<b>7,95,45,849</b>
Cash and cash equivalents	1,54,837	2,87,293
Net loans & borrowings	25,89,305	7,92,59,556
As a percentage of total capital	08.46%	73.90%
<b>Total capital (loans and borrowings and equity)</b>	<b>3,05,89,305</b>	<b>10,72,59,556</b>

➤ **Fair Value measurements**

**A. Financial instruments by category**

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
<b>Financial Asset</b>						
Investment	-	22,610,000	-	-	-	-
Non Current Loans	12,644,628	-	-	14,174,343	-	-
Trade receivables	9,743,522	-	-	23,565,103	-	-
Cash & Cash Equivalents	154,837	-	-	287,293	-	-
Current Loans	65,280,781	-	-	193,486,897	-	-
<b>Total Financial Asset</b>	<b>87,823,768</b>	<b>22,610,000</b>	<b>-</b>	<b>231,513,636</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Borrowings	2,744,142	-	-	79,546,849	-	-
Trade Payables	85,428,959	-	-	119,803,485	-	-
Other Financial Liabilities	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>88,173,101</b>	<b>-</b>	<b>-</b>	<b>199,350,334</b>	<b>-</b>	<b>-</b>

\* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

**Fair value hierarchy**

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**B. Fair value hierarchy for assets****Financial assets measured at fair value at March 31, 2019**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	22,610,000	22,610,000

**Financial assets measured at fair value at March 31, 2018**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	-	-

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**C. Fair value of financial assets and liabilities measured at amortized cost**

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**➤ Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its

activities. The Company's risk management policies are established to identify and analyses 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 in which all employees understand their roles and obligations.

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.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

**(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. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

**Trade Receivables**

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods				
0-12 Months	0	0	0	0
More than 1 Year	96,50,797	0	0	96,50,797
<b>Total</b>	<b>96,50,797</b>	<b>0</b>	<b>0</b>	<b>96,50,797</b>

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Liquidity Table**

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**As at March 31, 2019**

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	-	-
<b>Current financial liabilities</b>			
Borrowings	27,44,142	-	27,44,142
Trade Payables	8,54,28,959	-	8,54,28,959
Other Financial Liability	0	-	0
	<b>8,81,73,101</b>		<b>8,81,73,101</b>
<b>Total financial liabilities</b>	<b>8,81,73,101</b>	-	<b>8,81,73,101</b>

As at March 31, 2018

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	-	-
<b>Current financial liabilities</b>			
Borrowings	7,95,46,849	-	7,95,46,849
Trade Payables	11,98,03,485	-	11,98,03,485
Other Financial Liability	0	-	0
	<b>19,93,50,334</b>		<b>19,93,50,334</b>
<b>Total financial liabilities</b>	<b>19,93,50,334</b>	-	<b>19,93,50,334</b>

**(C) Price Risk****Exposure**

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

**➤ Others**

- Balance Sheet is still carrying Opening Balance of "Pre- Operative Expense" of Rs. 33,19,207/- as "Other Current Assets", which in our opinion needs to be written off in Five Financial Years proportionately. And Due to the same expense is under stated in profit & loss account.
- The Company has not created Provision for Payment of Income Tax.
- Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Above Disclosure is made after taking into account the principle of materiality.
- In the events of non-availability of suitable supporting vouchers, Directors have given us certificate that these expenses are incurred mainly for the business activities of the company.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For India Infraspac Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Secretary

**Pankaj B. Shah**  
CFO

**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019



## Consolidated Independent Auditor's Report

To the Members of India Infraspac Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **INDIA INFRASPACE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

### Matter of Emphasis:

- We draw the attention regarding non charging of Interest on Loans & Advances to Related Parties and other parties' u/s. 186 of the Companies Act, 2013
- The company is carrying Pre-Operative Expenses of Rs.33,19,207/- as "other current assets" which in our opinion needs to be written off. And Due to the same Profit & Loss account is under stated. So the amount of **Rs.33,19,207/-** needs to be written off in the forthcoming financial years.

Our opinion is not qualified in respect of this matter.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the matter of emphasis paragraph above, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019

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**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 **M/S. INDIA INFRASPACE LIMITED**("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2019.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019

## CONSOLIDATED BALANCE SHEET AS AT 31/03/2019

Particulars	Note No.	As at	
		31st March, 2019	31st March, 2018
<b>ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property, Plant and Equipment	1	1,83,78,618	-
(b) Capital work in progress		-	-
(c) Intangible assets			
(d) Goodwill	1	4,10,555	-
(e) Financial Assets :			
i) Investments	2	2,00,100	-
ii) Loans	3	3,41,93,642	1,41,74,343
iii) Other Financial Assets		-	-
(f) Deferred tax assets (Net)		-	-
(g) Other non-current assets		-	-
<b>Total Non-current Assets</b>		<b>5,31,82,915</b>	<b>1,41,74,343</b>
<b>2 Current Assets</b>			
(a) Inventories	4	5,35,49,484	-
(b) Financial Assets :			
i) Investments			
ii) Trade Receivables	5	3,62,26,910	2,35,65,103
iii) Cash & Cash Equivalents	6	1,86,913	2,87,293
iv) Loans	7	6,89,58,162	19,34,86,897
v) Other Financial Assets			
(c) Other Current Assets	8	33,32,431	33,19,207
<b>Total - Current Assets</b>		<b>16,22,53,900</b>	<b>22,06,58,500</b>
<b>Total Assets</b>		<b>21,54,36,815</b>	<b>23,48,32,843</b>
<b>I. Equity &amp; Liabilities</b>			
<b>1. Equity</b>			
(a) Share Capital	9	2,80,00,000	2,80,00,000
(b) Other Equity	10	(33,41,319)	(21,13,673)
<b>Total Equity</b>		<b>2,46,58,681</b>	<b>2,58,86,327</b>
<b>2. Liabilities</b>			
<b>A) Non Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	11	1,97,22,521	-
(b) Deferred Tax Liabilities (Net)		11,33,011	-
(c) Other Non Current Liabilities		-	-
<b>Total Non- Current Liabilities</b>		<b>2,08,55,532</b>	<b>-</b>
<b>B) Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	12	4,08,76,324	7,95,46,849
ii) Trade Payables	13	11,91,26,658	11,98,03,485
iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	14	97,32,270	94,98,032
(c) Short Term Provisions	15	1,87,350	98,150
<b>Total Current Liabilities</b>		<b>16,99,22,602</b>	<b>20,89,46,516</b>
<b>Total Equity &amp; Liabilities</b>		<b>21,54,36,815</b>	<b>23,48,32,843</b>
Contingent Liabilities & Commitments	Nil		

For India Infraspace Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850WPradip B. Shah  
Managing Director  
DIN : 00297120  
Place : Ahmedabad  
Date : 30/05/2019Naresh B. Shah  
Director  
DIN : 01212428Nidhi D. Bhatt  
SecretaryPankaj B. Shah  
CFOCA. Mitt S. Patel  
Partner  
Membership No. 163940

**CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD  
FROM 01-04-2018 TO 31-03-2019**

Particulars	Note No.	2018-19	2017-18
I Revenue From Operations	16	6,68,51,857	35,30,40,696
II Other Income	17	15,86,096	-
<b>III Total Revenue (I+II)</b>		<b>6,84,37,953</b>	<b>35,30,40,696</b>
<b>IV Expenses</b>			
Purchase of Stock in Trade		-	-
Changes in Inventories	18	5,43,00,545	35,21,83,744
Employee Benefit Expenses	19	57,60,074	-
Finance Costs	20	4,20,984	-
Depreciation & Amortisation Expenses	21	31,68,396	1,803
Other Expenses		6,89,525	-
<b>Total Expenses</b>	<b>22</b>	<b>55,80,615</b>	<b>5,43,623</b>
<b>V Profit Before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>(14,82,186)</b>	<b>3,11,526</b>
VII Exceptional Items		-	-
<b>VIII Profit Before Extraordinary Items &amp; Tax</b>		<b>(14,82,186)</b>	<b>3,11,526</b>
Extraordinary Items		-	-
<b>IX Profit Before Tax</b>		<b>(14,82,186)</b>	<b>3,11,526</b>
<b>X Tax Expenses</b>			
Current Tax		22,500	-
Deffered Tax		(1,89,471)	-
Short Fall in Income Tax Provision		(87,568)	-
<b>XI Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		<b>(12,27,647)</b>	<b>3,11,526</b>
XII Profit/(Loss) from Discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
<b>XIV Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)</b>		-	-
<b>XV Profit/(Loss) for the Period (XI+XIV)</b>		<b>(12,27,647)</b>	<b>3,11,526</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>(12,27,647)</b>	<b>3,11,526</b>
<b>XVI Earning Per Equity Share</b>			
Basic		(0.44)	0.11
Diluted		(0.44)	0.11

**The Notes referred to above form an integral part of the Balance Sheet**

For India Infraspac Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Secretary

**Pankaj B. Shah**  
CFO

**CA. Mitt S. Patel**  
Partner

**Place :** Ahmedabad  
**Date :** 30/05/2019

Membership No. 163940

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019****A. Equity Share Capital** Amount in Rs.

Particulars	2018-19		2017-18	
	No. Shares	Amount	No. Shares	Amount
i) <b>Opening Balance at the beginning of Financial Year</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>
Changes in equity share capital during the year	-	-	-	-
<b>Closing Balance at the end of Financial Year</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

**B. Other Equity** Amount in Rs.

Particulars	Reserves and Surplus			Total
	Security Premium	Revaluation reserve	Capital Reserve	
<b>Balance as at 1st April, 2017</b>	10761500	0	(1,65,35,699)	(57,74,199)
Change during the Year	-	33,49,000	3,11,526	36,60,526
<b>Balance as at March 31, 2018</b>	<b>10761500</b>	<b>3349000</b>	<b>(1,62,24,173)</b>	<b>(21,13,673)</b>
Change during the Year	-	-	(12,27,647)	(12,27,647)
Other comprehensive income	-	-	-	-
<b>Total Comprehensive Income / (loss) for the year</b>	-	-	<b>(12,27,647)</b>	<b>(12,27,647)</b>
<b>Balance as at March 31, 2019</b>	<b>1,07,61,500</b>	<b>33,49,000</b>	<b>(1,74,51,819)</b>	<b>(33,41,319)</b>

See accompanying notes to the financial statements

**In terms of our report attached**

For India Infraspace Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Pradip B. Shah**  
Managing Director  
DIN : 00297120  
**Place :** Ahmedabad  
**Date :** 30/05/2019

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Secretary

**Pankaj B. Shah**  
CFO

**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

**CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	2018-19	2017-18
<b>A Cash flow from Operating Activities</b>		
Net Profit Before Tax	(14,82,186)	3,11,526
Adjustments for:		
Add : Depreciation	6,89,525	-
Less : Interest Income	-	-
Add : Interest Expenses	31,63,393	-
Operating Profit / (Loss) before Working Capital Changes	<b>23,70,733</b>	<b>3,11,526</b>
Adjustments for:		
Increase/(Decrease) in Trade Payable	(6,76,827)	10,10,93,447
Increase/(Decrease) in other current liabilities	2,34,238	79,15,626
Increase/(Decrease) in Short Term Borrowings	(3,86,48,609)	4,27,28,270
Increase/(Decrease) in Provisions	89,200	71,509
(Increase)/Decrease in Trade Receivables	(1,26,61,807)	(69,36,408)
(Increase)/Decrease Short term Loan & Advances	12,45,28,735	(15,30,51,298)
(Increase)/Decrease in other current assets	(13,224)	1,612
(Increase)/Decrease in Inventories	(5,35,49,484)	-
<b>Cashflow generated from Operating Activities</b>	<b>2,16,72,955</b>	<b>(78,65,716)</b>
Income Tax Paid ( Net of Refund)	(2,37,430)	-
<b>Net Cashflow generated from Operating Activities A</b>	<b>2,14,35,525</b>	<b>(78,65,716)</b>
<b>B Cash flow from Investment Activities</b>		
Purchase of Property , Plant and Equipment	(1,83,78,618)	-
Sale of Investments	-	-
Purchase of Investments	(2,00,100)	-
Interest Income	-	-
<b>Net Cashflow generated from Investments Activities B</b>	<b>(1,85,78,718)</b>	<b>-</b>
<b>C Cash flow from Financing Activities</b>		
Interest Expenses	(31,63,393)	-
Increase in Reserve	-	-
Increase/(Decrease) in Share Capital	-	-
(Increase)/Decrease in other non-current assets	-	77,63,420
(Increase)/Decrease in Long term loans & advances	(2,00,19,299)	-
Net Change in Unsecured Loans Taken	1,97,22,521	-
Movement in Loans & Advances Granted	-	-
<b>Net Cashflow generated from Financing Activities C</b>	<b>(34,60,171)</b>	<b>77,63,420</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(6,03,364)</b>	<b>(1,02,296)</b>
Opening Cash & Cash Equivalents	7,90,278	3,89,589
<b>Closing Cash &amp; Cash Equivalents</b>	<b>1,86,913</b>	<b>2,87,293</b>

For India Infraspac Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850WPradip B. Shah  
Managing Director  
DIN : 00297120Naresh B. Shah  
Director  
DIN : 01212428Nidhi D. Bhatt  
SecretaryPankaj B. Shah  
CFOCA. Mitt S. Patel  
PartnerPlace : Ahmedabad  
Date : 30/05/2019

Membership No. 163940

➤ **Significant Accounting Policies**

**Company Overview**

India Infraspaces Limited (“the company”) is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products and in the electronic items. The company is listed on Bombay Stock Exchange.

**Basis for Preparation of Financial statements**

The Consolidated Financial Statements of the Group have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements comprises of Gujarat Natural Resources Limited and all its subsidiaries, being the entities that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

**Principles of Consolidation**

- (a) The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (b) Profits or losses resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- (c) Goodwill represents the difference between the Company’s share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.
- (d) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (e) The Financial statements of the current financial year are consolidated financial statements, whereas the comparative information is standalone financial statement of preceding financial year.

**Property, plant and Equipment**

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognized impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2018-19. For year 2017-18

**Financial Instruments**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

**Financial assets**

Initial recognition and measurement

All financial asset, are recognized initially at fair value.



**Financial liabilities and equity instruments**

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are measured at amortized cost using the effective interest method or at FVTPL.

**Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

**Revenue recognition**

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial

application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance obligation:

The revenue is recognized on fulfilment of performance obligation.

Sale of products:

The Company earns revenue primarily from sale of steel products and electronic items.

Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision.

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

#### **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

#### **Taxation**

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

#### **Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares

considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**Notes to the Financial Statements**  
**1 Property, Plant & Equipment**

Particulars	Gross Block		Depreciation		Net Block	
	As at 01/04/2018	As at 31/03/2019	As at 01/04/2018	As at 31/03/2019	As at 01/03/2019	As at 31/03/2018
<b>Tangible Assets</b>						
Plant And Machinery	1,10,60,813	1,10,60,813	39,16,197	7,30,133.00	46,46,330	71,44,616
Factory Land	51,60,000	51,60,000	-	-	-	51,60,000
Factory Shed	30,13,669	30,13,669	5,04,125	94,174	5,98,299	25,09,544
Furniture & Fixture	39,375	39,375	20,428	4,245	24,673	18,947
Computer	93,350	93,350	88,682	-	88,682	4,668
Air Conditionor	2,29,850	2,29,850	1,34,540	48,160	1,82,700	95,310
EOT Crane	15,51,694	15,51,694	5,24,155	1,05,550	6,29,705	10,27,539
Induction Furnace	17,72,000	17,72,000	5,97,015	1,20,709	7,17,724	11,74,985
Spectro Meter	12,46,000	12,46,000	3,34,875	1,00,412	4,35,287	9,11,125
CI Mould	24,32,512	24,32,512	7,61,327	1,70,379	9,31,706	16,71,185
Camera	77,712	77,712	38,024	9,506	47,530	39,688
Printer	8,050	8,050	2,514	1,257	3,771	5,536
<b>TOTAL (A)</b>	<b>2,66,85,025</b>	<b>2,66,85,025</b>	<b>69,21,882</b>	<b>13,84,525</b>	<b>83,06,407</b>	<b>1,97,63,143</b>
Previous Year	2,67,42,333	8,33,690	7,76,382	8,33,690	2,66,85,025	56,12,120
<b>Goodwill</b>						
<b>Particulars</b>						
Goodwill	-	4,10,555	-	-	-	4,10,555
<b>Total</b>	<b>-</b>	<b>4,10,555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,10,555</b>

**2 Investment**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment in Equity Shares	2,00,100	-
<b>Total</b>	<b>2,00,100</b>	<b>-</b>

**3 Non-Current Loans**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Other Long Term Loans &amp; Advances</b>		
Other Advances	-	-
Balance with Government Authorities	6,77,846	15,19,143
Loan to Corporate Bodies	1,16,19,400	97,65,300
Loan to Related Parties	-	-
Other Loans	2,18,96,396	28,89,900
<b>Total</b>	<b>3,41,93,642</b>	<b>1,41,74,343</b>

**4 Inventories**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Material	2,61,81,530	-
Finished Goods	2,73,67,954	-
<b>Total</b>	<b>5,35,49,484</b>	<b>-</b>

**5 Trade Receivables**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Outstanding for less than 6 months from the due date Unsecured, considered good	47,66,247	1,04,80,415
Outstanding for more than 6 months from the due date Unsecured, considered good	3,14,60,663	1,30,84,688
<b>Total</b>	<b>3,62,26,910</b>	<b>2,35,65,103</b>

**6 Cash & Cash Equivalents**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Balances with Banks</b>	<b>26,475</b>	<b>1,30,931</b>
In Current Account	26,475	1,30,931
<b>Cash on Hand</b>	<b>1,60,438</b>	<b>1,56,362</b>
<b>Total</b>	<b>1,86,913</b>	<b>2,87,293</b>

**7 Short term Loans & Advances**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Other Loans &amp; Advances</b>		
<b>Unsecured, Considered good</b>		
Loan to Corporate Bodies	6,52,80,781	11,34,86,897
Loan to Related Parties	-	-
Other Advances	29,09,262	8,00,00,000
Balance with Government Authorities	7,68,119	-
<b>Total</b>	<b>6,89,58,162</b>	<b>19,34,86,897</b>

**8 Other Current Assets**

Particulars	As at	
	31st March, 2019	31st March, 2018
Prepaid Expense	13,224	-
Pre-Operative Expenses	33,19,207	33,19,207
<b>Total</b>	<b>33,32,431</b>	<b>33,19,207</b>

**9 Share Capital****1 Authorized, Issued, Subscribed and Paidup share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 Each	1,10,00,000	11,00,00,000	1,10,00,000	11,00,00,000
<b>Total</b>				
<b>Issued Share Capital</b>				
Equity Shares of Rs. 10 Each	28,00,000	2,80,00,000	28,00,000	2,80,00,000
<b>Total</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>
<b>Subscribed &amp; Fully Paid</b>				
Equity Shares of Rs. 10 Each	28,00,000	2,80,00,000	28,00,000	2,80,00,000
<b>Total</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

**2 Reconciliation of Share Capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b> (Face Value Rs. 10.00)				
Shares Outstanding at the Beginning of the Year	28,00,000	2,80,00,000	28,00,000	2,80,00,000
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	-	-
<b>Shares Outstanding at the End of the Year</b>	<b>28,00,000</b>	<b>2,80,00,000</b>	<b>28,00,000</b>	<b>2,80,00,000</b>

**3 Share Holders Holding More than 5% Share**

Name of the Share Holders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Vastupal Steel & Spares Pvt Ltd	1019501	36.41	1019501	36.41
Prakash B Shah	140000	5.00	140000	5.00
Pankaj B Shah	140000	5.00	140000	5.00
Jitendra B Shah	140000	5.00	140000	5.00
Hemendra B Shah	140000	5.00	140000	5.00
Pradip B Shah	140000	5.00	140000	5.00
Naresh B Shah	140000	5.00	140000	5.00
Ashnisha Industries Ltd	301322	10.76	301322	10.76
Ardent Ventures LLP	301280	10.76	301280	10.76

**10 Other Equity**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Capital Reserve</b>		
Share Forfeiture A/c	1,07,61,500	1,07,61,500
	-	-
<b>Closing Balance</b>	<b>1,07,61,500</b>	<b>1,07,61,500</b>
<b>General Reserve</b>		
Opening balance	33,49,000	33,49,000
+ Adjustment in pursuant to the scheme of Demerger	-	-
<b>Closing Balances</b>	<b>33,49,000</b>	<b>33,49,000</b>
<b>Profit &amp; Loss A/c</b>		
Opening balance	(1,62,24,173)	(1,65,35,699)
(-) Transfer of Current Year Loss	(12,27,647)	3,11,526
<b>Closing balance</b>	<b>(1,74,51,819)</b>	<b>(1,62,24,173)</b>
<b>Total</b>	<b>(33,41,319)</b>	<b>(21,13,673)</b>

**11 Non Current Borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Secured Loan</b>		
KCCB Term Loan	7,63,891	-
<b>Unsecured Loans repayable on Demand</b>		
Loan from Directors	-	-
Loan From Body Corporate	1,68,24,657	-
Others	21,33,973	-
<b>Total</b>	<b>1,97,22,521</b>	<b>-</b>

**12 Short term Borrowings**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
<b>Secured Loan</b>		
Cash Credit Facility	3,81,32,182	-
<b>Unsecured Loans repayable on Demand</b>		
Loan from Directors	-	23,25,000
Loan From Body Corporate	27,44,142	7,72,21,849
<b>Total</b>	<b>4,08,76,324</b>	<b>7,95,46,849</b>

**13 Trade Payables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Due to Micro & Small Enterprises		
Trade Payable for Goods	11,44,80,152	11,69,65,454
Trade Payable for Expenses	41,99,255	3,47,817
Others	4,47,251	24,90,214
<b>Total</b>	<b>11,91,26,658</b>	<b>11,98,03,485</b>

The Company has not received any intimation on suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro, Small and Medium Enterprise regarding:

- Amount due and outstanding to suppliers as at the end of the accounting year;
- interest paid during the year;
- interest payable at the end of the accounting year;
- interest accrued and unpaid at the end of the accounting year;

have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.

**14 Other Current Liabilities**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Statutory Dues	7,52,016	8,922
Advance from Trade Receivable	51,98,094	94,89,110
Bank Overdrawn	2,07,625	-
Others	35,74,535	-
<b>Total</b>	<b>97,32,270</b>	<b>94,98,032</b>

**15 Short Term Provisions**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Unpaid Audit Fees	1,53,400	76,700
Unpaid Legal Fees	-	10,000
Unpaid Professional Fees	11,450	11,450
Provision for Income Tax	22,500	-
<b>Total</b>	<b>1,87,350</b>	<b>98,150</b>

**16 Revenue from Operations**

Particulars	2018-19	2017-18
(1) Sale of Steel & Electronic Products	6,68,51,857	35,30,40,696
(2) Sale of Services	-	-
(3) Other Operating Income	-	-
<b>Total</b>	<b>6,68,51,857</b>	<b>35,30,40,696</b>

**17 Other Income**

Particulars	2018-19	2017-18
Interest on Income Tax Refund	15,35,707	-
Miscellaneous Income	15,266	-
Dividend Income	35,123	-
<b>Total</b>	<b>15,86,096</b>	<b>-</b>

**18 Purchase of Stock in Trade**

Particulars	2018-19	2017-18
<b>(A) Purchase of Products</b>		
(1) Purchase of Product	5,43,00,545	35,21,83,744
<b>Total</b>	<b>5,43,00,545</b>	<b>35,21,83,744</b>

**19 Changes in Inventories**

Particulars	2018-19	2017-18
Inventories at the beginning of the year	3,31,28,028	-
Inventories at the end of the year	2,73,67,954	-
<b>Total</b>	<b>57,60,074</b>	<b>-</b>

**20 Employee Benefit Expense**

Particulars	2018-19	2017-18
Salary, Wages & Bonus	4,20,984	-
<b>Total</b>	<b>4,20,984</b>	<b>-</b>

**21 Finance Costs**

Particulars	2018-19	2017-18
Interest Expense	31,63,393	-
Bank Charges	5,003	1,803
<b>Total</b>	<b>31,68,396</b>	<b>1,803</b>



**22 Other Expenses**

Particulars	2018-19	2017-18
Payment to Auditors *	1,01,700	76,700
Miscellaneous Expenses	54,78,915	4,66,923
Annual Listing Fees	2,59,350	-
Corporate Action Fees	-	13,318
Balance Written Off	5,59,786	-
Freight Charges	72,130	-
Share Transfer Charges	45,000	47,500
Legal & Professional Charges	1,14,560	3,01,500
Other Miscellaneous Expenses	6,10,986	1,04,605
Power & Fuel Expenses	37,50,003	-
Short Provision of income Tax	67,100	-
<b>Total</b>	<b>55,80,615</b>	<b>5,43,623</b>
* Payment to Auditors		
For Audit Fees	1,01,700	76,700
For Others	-	-

**17. Notes on Accounts**➤ **Contingent Liabilities**

There is no contingent liability as informed by management.

➤ **Related Party Transactions:-**

As per Indian Accounting Standard (Ind AS -24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

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

Sr. No.	Name	Relationship
1	Pankaj B Shah	CFO
2	Naresh B Shah	Director
4	Pradip B Shah	Director
4	Vishnubhai G Chauhan	Director
5	Chetna A Kapadiya	Director
6	Nidhi D Bhutt	Company Secretary
7	Shaurya Casting Pvt. Ltd.	100% owned Subsidiary
8	Vastupal Steel & Spare Pvt. Ltd.	Group Company
9	Vastupal Bearing Races Ltd	Group Company
10	Mukta Industries Pvt. Ltd	Group Company
11	Mukta Automation Pvt. Ltd	Group Company
12	Naresh B Shah HUF	Relative of Key Managerial Personnel
13	Pradip B Shah HUF	Relative of Key Managerial Personnel

➤ **Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2018 to March 31, 2019 with related parties by the company stated below.

Sr. No.	Name	Nature of the Transaction	Amount 2018-19	Amount 2018-19
1	Vishnubhai G Chauhan	Loan Taken	NIL	-
		Loan Repaid	23,25,000	-
		<b>Closing Balance</b>	<b>NIL</b>	<b>23,25,000</b>
2	Vastupal Steel & Spare Pvt Ltd	Loan Granted	1,53,19,413	-
		Loan Recovered	60,86,977	-
		<b>Closing Balance</b>	<b>93,40,200</b>	<b>1,48,677</b>
		Purchase 30685 Shares of Shaurya Casting Pvt Ltd@140/-	42,95,900	
		Payment	42,95,900	
3	Mukta Industries Pvt Ltd	Loan Taken	4,11,100	-
		Loan Repaid	NIL	-
4	Mukta Automation Pvt Ltd	<b>Closing Balance</b>	<b>2,84,748</b>	<b>1,26,352</b>
		Purchase	NIL	29,99,60,998
		Payment/Sales	3,62,02,284	18,30,28,267
		<b>Closing Balance (Creditor)</b>	<b>8,07,30,446</b>	<b>11,69,32,730</b>
		Purchase 30,685 Shares of Shaurya Casting Pvt Ltd@140/-	42,95,900	
		Payment	42,95,900	
		<b>Closing Balance</b>	<b>NIL</b>	
5	Naresh B Shah	Loan Granted	54,26,400	-
		Loan Recovered	NIL	-
		<b>Closing Balance</b>	<b>22,79,200</b>	<b>77,05,600</b>
6	Naresh B Shah HUF	Purchase 19,380 Shares of Shaurya Casting Pvt Ltd@140/-	27,13,200	-
		Payment	27,13,200	-
		<b>Closing Balance</b>	<b>NIL</b>	-
7	Pradip B Shah	Purchase 9690 Shares of Shaurya Casting Pvt Ltd@140/-	13,56,000	-
		Payment	13,56,000	-
		<b>Closing Balance</b>	<b>NIL</b>	-
8	Pradip B Shah HUF	Purchase 19380 Shares of Shaurya Casting Pvt Ltd@140/-	27,13,200	-
		Payment	27,13,200	-
		<b>Closing Balance</b>	<b>NIL</b>	-
8	Pradip B Shah HUF	Purchase 9690 Shares of Shaurya Casting Pvt Ltd@140/-	13,56,000	-
		Payment	13,56,000	-
		<b>Closing Balance</b>	<b>NIL</b>	-

➤ **Payment to the Auditors**

Particulars	2018-19	2017-18
Audit Fees	101,700	76,700
Others	0	0
<b>Total</b>	<b>101,700</b>	<b>76,700</b>

➤ **Segment Reporting:**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Information Technology Services
- Trading of Goods
- Others

(Amount in Lacs)

Particulars	Steel		I.T. Services		Trading of Goods		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Revenue	668.52	3530.41	-	-	-	-	-	-	668.52	3530.41
External Turnover	668.52	3530.41	-	-	-	-	-	-	668.52	3530.41
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	<b>668.52</b>	<b>3530.41</b>	-	-	-	-	-	-	<b>668.52</b>	<b>3530.41</b>
Less: Service Tax Recovered	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	<b>668.52</b>	<b>3530.41</b>	-	-	-	-	-	-	<b>668.52</b>	<b>3530.41</b>

(Amount in Lacs)

Particulars	Steel		I.T. Services		Trading of Goods		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment Results before Interest & Taxes	67.92	8.57	-	-	-	-	15.86	-	83.78	8.57
Less: Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	-	-	(98.6)	(5.45)
<b>Net Profit / (Loss) before Tax</b>	-	-	-	-	-	-	-	-	<b>(14.82)</b>	<b>3.12</b>

➤ **Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of Ind AS-33.

Particulars	31-03-2019	31-03-2018
Net Profit Attributable to share holders	(12,27,647)	3,11,526
Weighted average number of equity shares (Nos.)	28,00,000	28,00,000
Basic and diluted earnings per share (Rs.)	(0.44)No EPS	0.111
Nominal value of equity share (Rs.)	10	10

➤ **Details of loan made during the year 2018-19 as per section 186(4) of The Companies Act 2013**

(Amount in Rs.)

Name of the Entity	Nature of Transaction	Amount (Outstanding)	Purpose of Loan	Period
Vastupal Steel and Pares Pvt Ltd	Loan Given	93,40,200	Business	Short Term Advances – On Demand

➤ **Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

Particulars	As at	
	31st March, 2019	31st March, 2018
Total equity attributable to the equity share holders of the company	2,80,00,000	2,80,00,000
As percentage of total capital	31.67%	26.10%
Current loans and borrowings	4,08,76,324	7,95,46,849
Non-current loans and borrowings	1,97,22,521	0
<b>Total loans and borrowings</b>	<b>6,05,98,845</b>	<b>7,95,45,849</b>
Cash and cash equivalents	1,86,913	2,87,293
Net loans & borrowings	6,04,11,932	7,92,59,556
As a percentage of total capital	68.33%	73.90%
<b>Total capital (loans and borrowings and equity)</b>	<b>8,84,11,932</b>	<b>10,72,59,556</b>

➤ **Fair Value measurements****A. Financial instruments by category**

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Asset						
Investment	-	200,100	-	-	-	-
Non Current Loans	34,193,642	-	-	14,174,343	-	-
Trade receivables	36,226,910	-	-	23,565,103	-	-
Cash & Cash Equivalents	186,913	-	-	287,293	-	-
Current Loans	68,958,162	-	-	193,486,897	-	-
Total Financial Asset	139,565,627	200,100	-	231,513,636	-	-
Financial Liabilities						
Non Current Borrowings	19,722,521	-	-	-	-	-
Current Borrowing	40,879,324	-	-	79,546,849	-	-
Trade Payables	119,126,658	-	-	119,803,485	-	-
Other Financial Liabilities	-	-	-	-	-	-
Total Financial Liabilities	179,728,506	-	-	199,350,334	-	-

\* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

**Fair value hierarchy**

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**B. Fair value hierarchy for assets****Financial assets measured at fair value at March 31, 2019**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	200,100	200,100

**Financial assets measured at fair value at March 31, 2018**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	-	-

**Notes:**

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**C. Fair value of financial assets and liabilities measured at amortized cost**

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**➤ Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies are established to identify and analyses 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 in which all employees understand their roles and obligations. 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.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

**(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. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

**Trade Receivables**

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods				
0-12 Months	4,766,247	0	0	4,766,247
More than 1 Year	31,460,663	0	0	31,460,663
<b>Total</b>	<b>36,226,910</b>	<b>0</b>	<b>0</b>	<b>36,226,910</b>

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Liquidity Table**

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**As at March 31, 2019**

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	19,722,521	19,722,521
<b>Current financial liabilities</b>			
Borrowings	40,876,324	-	40,876,324
Trade Payables	119,126,658	-	119,126,658
Other Financial Liability	0	-	0
	<b>160,002,982</b>		<b>160,002,982</b>
<b>Total financial liabilities</b>	<b>160,002,982</b>	-	<b>179,725,503</b>

As at March 31, 2018

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	-	-
<b>Current financial liabilities</b>			
Borrowings	7,95,46,849	-	7,95,46,849
Trade Payables	11,98,03,485	-	11,98,03,485
Other Financial Liability	0	-	0
	<b>19,93,50,334</b>		<b>19,93,50,334</b>
<b>Total financial liabilities</b>	<b>19,93,50,334</b>	-	<b>19,93,50,334</b>

**(C) Price Risk****Exposure**

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

**➤ Others**

- Balance Sheet is still carrying Opening Balance of "Pre- Operative Expense" of Rs. 33,19,207/- as "Other Current Assets", which in our opinion needs to be written off in Five Financial Years proportionately. And Due to the same expense is under stated in profit & loss account.
- The Company has not created Provision for Payment of Income Tax.
- Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Above Disclosure is made after taking into account the principle of materiality.
- In the events of non-availability of suitable supporting vouchers, Directors have given us certificate that these expenses are incurred mainly for the business activities of the company.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For India Infraspace Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Pradip B. Shah**  
Managing Director  
DIN : 00297120

**Naresh B. Shah**  
Director  
DIN : 01212428

**Nidhi D. Bhatt**  
Secretary

**Pankaj B. Shah**  
CFO

**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 30/05/2019

**INDIA INFRA SPACE LIMITED**

CIN: L45201GJ1995PLC024895

Regd. Office: 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad, Gujarat-380014

**ATTENDANCE SLIP**

DP ID*	FOLIO
CLIENT ID*	NO. OF SHARES

NAME AND ADDRESS OF THE SHAREHOLDER

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I hereby record my presence at the **Annual General Meeting** of the Company held on Monday, the **30<sup>th</sup> day of September, 2019 at 11:00 a.m.** at Registered office of the Company situated at 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad, Gujarat-380014.

Signature of the Shareholder | Proxy

\* Applicable for investors holding shares in electronic form.

**INDIA INFRA SPACE LIMITED**

CIN: L45201GJ1995PLC024895

Regd. Office: 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad, Gujarat-380014

**FORM NO. MGT- 11**

**PROXY FORM**

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

Name of Members: \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Folio No. | Client ID: \_\_\_\_\_

DP Id: \_\_\_\_\_

I/we, being the member(s) of \_\_\_\_\_ shares of India Infraspace Ltd, hereby appoint:

1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

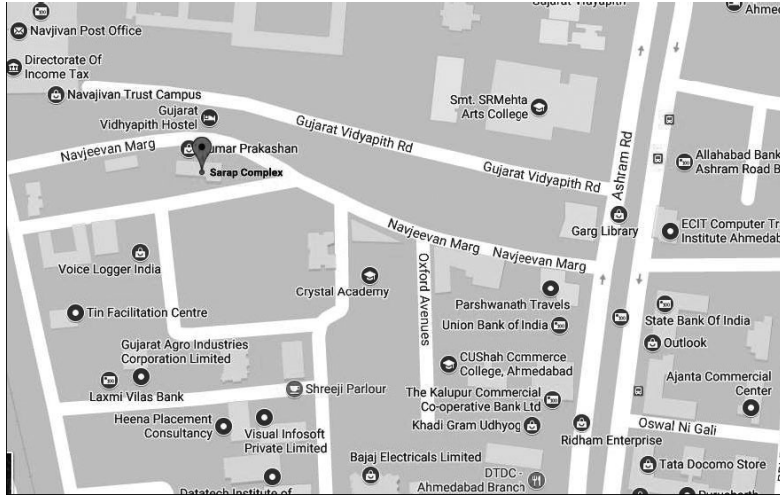
E-mail id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019 at 11:00



**ROUTE MAP FOR THE AGM VENUE**



a.m. at Registered office of the Company situated at 701, Sarap Building, Opp. Navjeevan Press, Ashram Road, Ahmedabad, Gujarat-380014 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	RESOLUTIONS
<b>ORDINARY BUSINESS</b>	
1	Consider and adopt: (a) Audited Financial Statements, Report of the Board of Directors and Auditors (b) Audited Consolidated Financial Statements
2	To appoint a Director in place of Mr. Naresh B. Shah (DIN: 01212428), who retires by rotation and being eligible, offers himself for reappointment
<b>SPECIAL BUSINESS</b>	
4	Re-appointment of Mr. Vishnubhai G. Chauhan (DIN: 01955762) as an Independent Director of the Company. (Special Business)
5	Approve Related parties Transactions. (Ordinary Resolution)

Signed this ..... day of ..... 2019

Signature of Shareholder .....



Signature .....

.....  
Signature of first proxy  
holder

.....  
Signature of Second proxy  
holder

.....  
Signature of Third proxy  
holder

**Notes:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the share capital of the Company carrying rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all The joint holders should be stated.