



**TSI**  
**Twinstar Industries Ltd.**  
**INSPIRE**

19<sup>th</sup> October, 2018

To,  
Corporate Relations Department  
**Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001.

Dear Sir/Madam,

Scrip Code: 531917

**Subject:** Submission of Annual Report for the financial year 2017-18

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015, enclosed herewith please find the copy of the annual report for the financial year 2017-18.

Please take the same on your records.

Thanking you,  
Yours Faithfully,

**For Twinstar Industries Limited**

  
**Daulat Mehta**  
**Managing Director**  
**(DIN - 01575366)**



Encl: As stated above.

**BOARD OF DIRECTORS**

Mr. Daulat Mehta	Managing Director
Mr. Harsh Mehta	Whole Time Director
Mr. Kailash Mehta	Director
Mrs. Kala Mehta	Director
Mr. Rishabh Jain	Additional Non-Executive Independent Director

**COMPLIANCE OFFICER**

Mr. Daulat Mehta

**AUDITORS**

M/s. Gupta Raj & Co  
Chartered Accountants  
2A, Mayur Apartment,  
Vile Parle (West),  
Mumbai -400056

**SHARE TRANSFER AGENT**

Sharex Dynamic (India) Pvt. Ltd  
Unit No. 1, Luthra Ind. Premises,  
Andheri - Kurla Road,  
Safed Pool, Andheri (E),  
Mumbai - 400 072  
Tel.: 2851606, Fax: 28512885.

**REGISTERED OFFICE**

Plot No. EL-178,  
TTC MIDC INDL. Area,  
Mahape, Navi Mumbai - 400 701

## **CONTENTS**

Notice

Directors Report along with Annexures to the Report

Management Discussion and Analysis Report

Report of Corporate Governance

General Shareholders Information

Auditor's Report

Balance Sheet

Profit & Loss Statement

Cash flow Statement

Schedules

Accounting Policies & Notes on Account

Proxy Form

Attendance Slip

NOTE : Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting

## NOTICE

**NOTICE** is hereby given that the 24th Annual General Meeting of the Members of **Twinstar Industries Limited** will be held on, Friday, 28th day of September, 2018 at 09.00 a.m. at the Registered Office of the Company at Plot No. EL-178, TTC MIDC Indl Area, Mahape, Navi Mumbai - 400 701, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2018 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kailash Mehta (DIN: 01741399), who retires by rotation and being eligible offers himself for reappointment.

### SPECIAL BUSINESS:

3. To Ratify increase in remuneration paid to Mr. Harsh Daulat Mehta (DIN: 01719123) Whole Time Director of the Company

To consider and if thought fit to pass the following resolution as Special resolution.

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Companies Act, 2013, pursuant to the recommendation of the Nomination and Remuneration Committee and recommendation and approval of Board of Directors and subject to the approval of Central Government, Ministry of Corporate Affairs, and Registrar of Companies required if any, the approval of shareholders be and is hereby accorded to increase the ceiling limit of Managerial Remuneration paid to Mr. Harsh Daulat Mehta (DIN: 01719123), Whole Time Director of the Company by way of salary, HRA, perquisites, allowances, commission & incentives, herein after referred to as Remuneration as per the details mentioned below with effect from 01st April, 2017 for the balance term.

- a) Salary: upto Rs. 12,00,000/- per annum
- b) HRA: upto Rs. 12,00,000/- per annum
- c) Commission: As may be determined by the Board from year to year, subject to the applicable provisions of the Companies Act, 2013.
- d) Perquisites:

Medical Reimbursement Expenses incurred for Mr. Harsh Daulat Mehta and his family, subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

Leave Travel Concession: For Mr. Harsh Daulat Mehta and his family once in a year incurred in accordance with the Rules specified by the Company.

Club Fees: Subject to maximum of two clubs. This will not include admission and life membership fees.

Personal Accident Insurance: Premium not to exceed Rs. 4000/- per annum.

For the purpose of this Category, family means the spouse, the dependent children and dependent parents of Mr. Harsh Mehta.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act 1961.

Gratuity not exceeding half a month's salary for each completed year of service. Past service of Mr. Harsh Mehta shall be taken into account for the purpose of calculating gratuity.

Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on Perquisites.

Free use of car with driver for the Company's business, all the expenditure in connection therewith being borne by the Company and free telephone and computer facilities at the residence.

Mr. Harsh Mehta shall be entitled to one month's privilege leave on full pay for every eleven month's service.

Mr. Harsh Mehta shall be entitled to reimbursement of all or any expenditure actually and properly incurred for Company's business. He shall not be entitled to any sitting fee for attending meetings of the Board of Directors' or Committees thereof.

Subject to the superintendence and control of the Board of Directors of the Company, Mr. Harsh Mehta shall be responsible for the day to day management of the Company and shall carry out such duties as may be entrusted to him by the Board of Directors.

The appointment may be terminated by either party giving to the other party, three months' notice in writing.

Compensation for loss of office in case of any termination before expiry of the term would be payable to Mr. Harsh Mehta as per the provisions of the Companies Act, 2013.

In the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the Whole Time Director shall be paid the above remuneration as the Minimum Remuneration subject however to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the Whole Time Director.

The remuneration and the other terms and conditions of the appointment of the Whole Time Director may be varied from time to time subject however to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the Whole Time Director.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to execute all such agreements/deeds/ documents as may be necessary and do all such acts deeds and things as may be necessary to give effect to the above resolution."

4. To appoint Mr. Dinesh Chand Sharma (DIN: 02460345) as Independent Director.

To consider and if thought fit to pass the following resolution as Ordinary resolution.

“**RESOLVED THAT** pursuant to provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 read with Appointment and Qualification of Directors Rules, 2014, Schedule IV of the Companies Act, 2013 and in terms of Clause 17 of the Listing Obligations & Disclosure Requirements (LODR) subject to the approval of Central Government, SEBI, Stock Exchange, Ministry of Corporate Affairs and Registrar of Companies required if any, Mr. Dinesh Chand Sharma (DIN: 02460345) from whom the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed as Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years i.e from 28th September, 2018 to 27th September, 2023 and shall not be liable to retire by rotation.”

5. To appoint Mr. Gaurav Bhandari (DIN: 01506395) as Independent Director.

To consider and if thought fit to pass the following resolution as Ordinary resolution.

“**RESOLVED THAT** pursuant to provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 read with Appointment and Qualification of Directors Rules, 2014, Schedule IV of the Companies Act, 2013 and in terms of Clause 17 of the Listing Obligations & Disclosure Requirements (LODR) subject to the approval of Central Government, SEBI, Stock Exchange, Ministry of Corporate Affairs and Registrar of Companies required if any, Mr. Gaurav Bhandari (DIN: 01506395) from whom the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed as Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years i.e from 28th September, 2018 to 27th September, 2023 and shall not be liable to retire by rotation.”

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 13th August, 2018**

**Register Office:**  
Plot No EI-178TTC MIDC INDL Area,  
Mahape, Navi Mumbai- 400701

**Sd/-**  
**D. S. Mehta**  
**Managing Director**  
**DIN: 01575366**

**NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting ('AGM') is entitled to appoint a proxy to attend and vote instead of herself/himself and a proxy need not be a Member of the Company.
2. The proxy form should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the commencement of the meeting.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
4. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. The members who hold shares in electronic form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number, in attendance slip for attending meeting.
7. Green Initiatives:

The Ministry of Corporate Affairs (MCA), Government of India, had issued the following circulars in Green Initiative i.e. Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, allowing companies to send official documents to their Shareholders electronically as part of its Green Initiatives in Corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we propose to send notices/documents (i.e., physical Annual Report of the Company comprising of Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report etc..) to the email address.

In this behalf, we are confident that you would appreciate the "Green Initiative" taken by MCA. We solicit your cooperation in helping the Company to implement the e-governance initiatives of the Government.

Shareholders who have not updated their email ID till date are requested to kindly update your email address with your depository participant for Demat holding of shares and with **Mr. Daulat Mehta** from 'Twinstar Industries Limited' on the email id **admin@twinstar.in** for physical holding of shares and co-operate with the Company to implement the Green Initiative of the Government in the following format.

Name of the member	Son of/ Daughter of/ Wife of	Client ID/ Ledger Folio No.	No. of Shares held	Pan No. (mandatory in case of Demat holders)	E-mail address

8. Shareholders are requested to dematerialize their shares. The Company has appointed M/s. SHAREX DYNAMIC (INDIA) PVT. LTD. for handling share transfer job and also for maintaining electronic connectivity with NSDL and CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No.- INE070B01013.
9. Members desirous of making nomination in terms of Section 72 of the Companies Act, 2013 in respect of their shareholding may approach the Registrar for assistance, Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.
10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the facility of voting through electronic means to its members. Members of the Company can transact all the items of the businesses with the facility of voting through electronic means as contained in the notice of the meeting through e-Voting Services provided by Central Depository (Services) India Limited (CDSL).
  - The facility for voting, either through electronic voting system or ballot or polling paper shall 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.

- The Company has appointed M/s. Priti J Sheth & Associates, Practicing Company Secretary, who in the opinion of the Company is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
- 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 the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and shall declare the result of the voting forthwith.
- A member whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e voting as well as voting in the general meeting.
- The instructions for shareholders voting electronically are as under:
  1. The voting period begins on 09:00 A.M. on Tuesday, 25th Day of September 2018 and ends on 05:00 P.M. on Thursday, 27th Day of September, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 21st Day of September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  2. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  3. Click on Shareholders/Members.
  4. 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.
  5. Next enter the Image Verification as displayed and Click on Login.
  6. 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.
  7. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<ul style="list-style-type: none"> <li>• PAN</li> </ul>	<ul style="list-style-type: none"> <li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <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.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<ul style="list-style-type: none"> <li>• Dividend Bank Details</li> <li>OR</li> <li>• Date of Birth (DOB)</li> </ul>	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

8. After entering these details appropriately, click on "SUBMIT" tab.
9. 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.



10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
12. 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.
13. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
14. 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.
15. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
17. If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
18. 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login 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.
20. 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).
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
12. Members are requested to notify immediately any change in their address :
  - to their Depository Participants (DPs) in respect of their electronic share accounts; and
  - to Registrar and Share Transfer Agent of the Company in respect of their physical shares folios along with Bank particulars.
13. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready & replies will be provided at the meeting.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: 13th August, 2018**

**Sd/-**  
**D. S. Mehta**  
**Managing Director**  
**DIN: 01575366**



**ANNEXURE TO NOTICE****(Explanatory Statement pursuant to Section 102 of the Companies Act, 2013)****ITEM NO 3:****To Ratify Increase in remuneration paid to Mr. Harsh Daulat Mehta (DIN: 01719123) Whole Time Director of the Company**

The Nomination and Remuneration Committee, in its meeting held on 05th November, 2016 recommended to the Board and the Board of Directors, in its meeting held on 12th January, 2017 approved and decided to increase the remuneration paid to Mr. Harsh Mehta (DIN: 01719123) as Whole Time Director of the Company with effect from 01st April, 2017 for the balance term.

Mr. Harsh Mehta is the Whole Time Director of the Company. The payment of increased remuneration is based on industry standards and responsibilities handled by the Whole Time Director of the Company.

The details of Mr. Harsh Mehta in pursuance of the provisions of the Companies Act, 2013 and Secretarial Standard-2 are mentioned herein below:

Approval of the shareholders is sought for payment of increased remuneration as per the terms mentioned in the resolution. The Board of Director recommends the relevant resolution for your consideration and approval as Special Resolution.

All the Directors viz Mr. Daulat Mehta and Mrs. Kala Mehta being relatives of Mr. Harsh Mehta are concerned or interested in the resolution.

**Disclosures required for payment of remuneration as per Schedule V of Companies Act, 2013****I. General Information about the Company**

Nature of Industry: (i) Information Technology (ii) Trading in Commodities

Date of Commencement of Commercial Production: The Company is already in Operation.

Financial Performance of Company: The financial data as per the latest Audited Balance Sheet and Profit and Loss Account for the F.Y. ended 31st March, 2018

<b>Particulars</b>	<b>Amount (Rs. In lacs) (INR)</b>
<b>Net Profit before Depreciation and Tax</b>	<b>102.977</b>
Depreciation	(31.600)
<b>Net Profit before tax</b>	<b>71.377</b>
Current Tax	14.441
Deferred Tax	(16.371)
<b>Net Profit (loss) after Tax</b>	<b>40.565</b>
<b>Paid Up Equity Share Capital</b>	<b>2246.024</b>
<b>Reserves and Surplus</b>	<b>143.307</b>

Foreign Investments or collaborations: The Company doesn't have any foreign investors and has not made any investments in foreign collaborations or body corporate.

**II. Information about the appointee**

Mr. Harsh Mehta is a Commerce Graduate and has degree in Masters of Business Administration from University of Southampton Solent (UK)

Mr. Harsh Mehta has an overall experience of more than 9 Years in Project Management, Marketing and Finance.

Recognition or awards: Mr. Harsh Mehta has not received any Recognition and Award.

Job Profile and his suitability: Mr. Harsh Mehta has been on the Board of the Company since 9th February, 2015 and since then he has been actively involved in the Management and has been guiding the company. Considering his overall Experience and Expertise the Management is of the view that expanding his role as a Whole Time Director will help the Company in Long run.

Remuneration proposed: Remuneration proposed to be paid to Mr. Harsh Mehta by way of salary, perquisites, allowances, commission & incentives with a ceiling limit as mentioned in the Resolution appended in the Notice of 24th Annual General Meeting.

Comparative remuneration in the industry: We are unable to give any comparative figures as the financial performances and individual cases differ, though in the same industry.

Pecuniary relationship: Apart from receiving proposed managerial remuneration Mr. Harsh Mehta does not have any pecuniary relationship with the Company.

Further, Mr. Harsh Mehta is Son of Mr. Daulat Mehta & Mrs. Kala Mehta who are Promoter Directors of the Company.

### III. Other Information

Reasons of loss or inadequate profits: The Company has adequate profit during the previous financial year & current financial year. In the absence or inadequacy of the profits in any financial year, the remuneration including the perquisites will be paid to Mr. Harsh Mehta in accordance with the applicable provisions of Schedule V of the Act.

Steps taken or proposed to be taken for improvement: Company is taking steps to increase profitability by undertaking new projects and expanding the current business activities.

Expected increase in productivity and profits: The Company expects its turnover and profitability to improve over a period of next 2-3 years.

Name of Director	Mr. Harsh Mehta
Date of Birth	03/09/1987
Age	31
Qualification	B Com, MBA from University of Southampton Solent (UK)
Experience	9 Years of experience in Project Management, Marketing and Finance
Terms & Condition of reappointment/ regularization	Liable to retire by rotation
Date of First Appointment on Board	09/02/2015
Directorships held in other companies (excluding section 8 and foreign companies) as on 31 <sup>st</sup> March, 2018	Orignet Technologies Limited – Director Namita Stocktrade Private Limited - Director
Memberships of committees across companies (includes only Audit & Shareholders'/Investors' Grievance Committee)	Nil
Shares held in the Company	7533
Relationship between directors inter-se	Son of Mr. Daulat Mehta & Mrs. Kala Mehta (Promoter Directors of the Company)
Number of Board Meetings attended in F Y 2017-2018	06

#### ITEM NO 4:

#### To appoint Mr. Dinesh Chand Sharma (DIN: 02460345) as Independent Director.

On recommendation of Nomination and Remuneration Committee the Board recommends members to appoint and Mr. Dinesh Chand Sharma (DIN: 02460345) as Independent Directors from whom the company has obtained declaration of independence alongwith consent to act as Director of the Company. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013, rules made there under and Listing Regulations for his appointment as an Independent Director of the Company.

Your Directors recommend the resolution at Item No 4 of the Notice for your approval by way of Ordinary Resolution.

None of the Directors or Key Managerial personals or their Relatives are directly or indirectly interested in the said resolution.

**The details of Mr. Dinesh Chand Sharma pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by Institute of Company Secretaries of India are appended below:**

Name of the Director	Mr. Dinesh Chand Sharma
Date of Birth	18/10/1954
Age	64
Qualification	B.Tech IIT Kanpur and M Engineering USA
Experience	40 Yrs ( Financial and Technology)
Terms & Condition of appointment	Independent Director Term: 5 Years Not liable to retire by rotation
Date of First Appointment on Board	NA
Directorships held in other companies (excluding section 8 and foreign companies) as on 31 <sup>st</sup> March, 2018	1. Satia Industries Limited- Independent Director 2. KSMG Consultancy Services Private Limited- Director 3. Vidhu Infracon Private Limited – Director 4. Valuepitch Etechnologies Private Limited – Additional Director 5. Biorx Venture Advisors Private Limited - Director
Memberships of committees across companies (includes only Audit & Shareholders'/Investors' Grievance Committee)	Nil
Shares held in the Company	NIL
Relationship between directors inter-se	Nil
Number of Board Meetings attended in FY 2017-2018	NA

**ITEM NO 5:****To appoint Mr. Gaurav Bhandari (DIN: 01506395) as Independent Director.**

On recommendation of Nomination and Remuneration Committee the Board recommends members to appoint and Mr. Gaurav Bhandari (DIN: 01506395) as Independent Directors from whom the company has obtained declaration of independence alongwith consent to act as Director of the Company. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013, rules made there under and Listing Regulations for his appointment as an Independent Director of the Company.

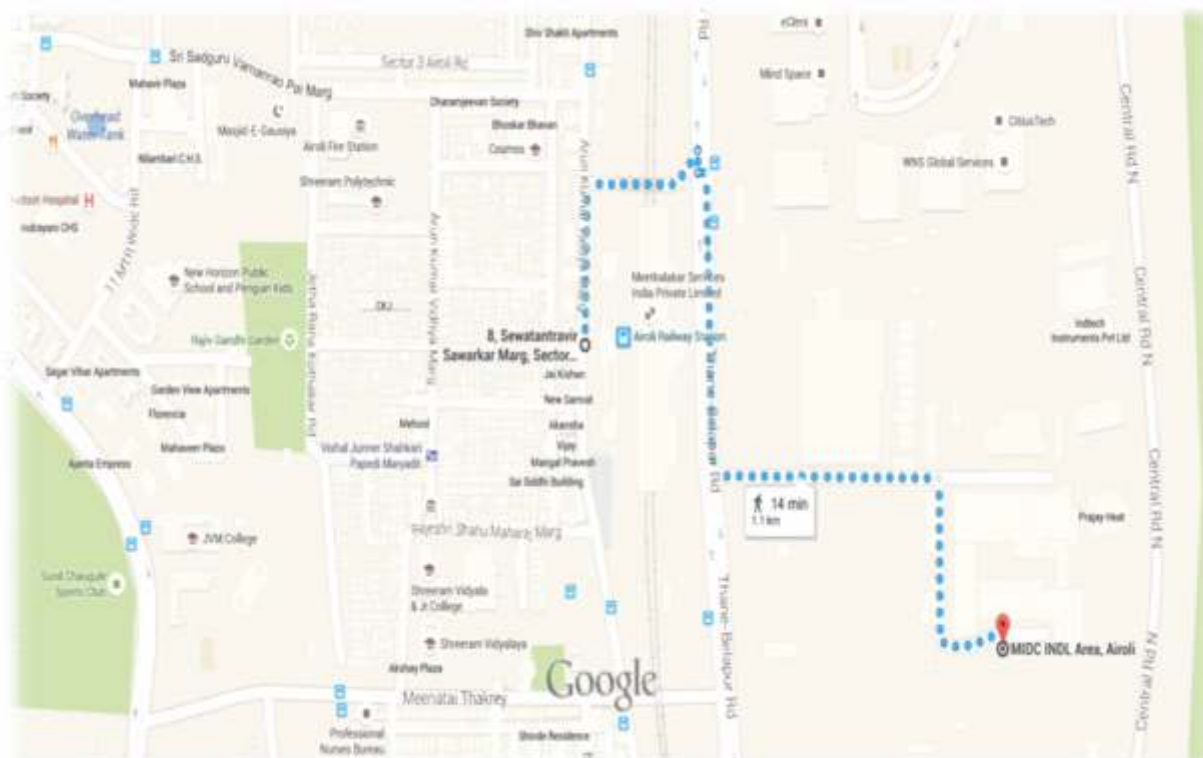
Your Directors recommend the resolution at Item No 5 of the Notice for your approval by way of Ordinary Resolution.

None of the Directors or Key Managerial personals or their Relatives are directly or indirectly interested in the said resolution.

The details of Mr. Gaurav Bhandari pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by Institute of Company Secretaries of India are appended below:

Name of the Director	Mr. Gaurav Bhandari
Date of Birth	01/05/1973
Age	45 Years
Qualification	B. Tech
Experience	20 Years
Terms & Condition of appointment	Independent Director Term: 5 Years Not liable to retire by rotation
Date of First Appointment on Board	NA
Directorships held in other companies (excluding section 8 and foreign companies) as on 31 <sup>st</sup> March, 2018	1. Namita Stocktrade Private Limited –Director 2. Boostmetric Solutions Limited - Director
Memberships of committees across companies (includes only Audit & Shareholders'/Investor's Grievance Committee)	Nil
Shares held in the Company	5150
Relationship between directors inter-se	Nil
Number of Board Meetings attended in FY 2017-2018	NA

**Route Map to the registered office address of Twinstar Industries Limited venue of 24th Annual General Meeting of the Members of the Company**



## DIRECTOR'S REPORT

Dear Members,

Your Directors' have pleasure in presenting their 24th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2018.

### Financial Results

The financial results of the Company for the year ended 31st March, 2018 compared to the previous year are summarized below:

(Rs. in lacs.)

Particulars	Financial Year 2017-18	Financial Year 2016-17
<b>Profit Before Income Tax</b>	<b>75.294</b>	<b>40.375</b>
Short Provision of Earlier Years	--	--
Prior Period Expenses	3.917	--
Less: Current Tax	14.441	7.693
Less: Deferred Tax	16.371	6.536
<b>Net Profit after Tax</b>	<b>40.565</b>	<b>26.145</b>

### Performance and Future Prospects

Twinstar Industries Limited, the company has been involved into IT businesses since its inception, At Twinstar our constant endeavor is to grow. The company is involved in projects with Central Government, State Government and also with Banks. The company expects good growth from the projects. With a wider objective and trying to cater to a wider audience the company is also looking into various fields of work with the Government of India and a few other companies as well. With the recent changing and constant increasing competition, the company plans to take the challenge to them and perform better than its peers. With the new Mantra of "Inspire" the company would look into projects which are new and different.

The company is also involved in trading activities wherever it sees good opportunities.

### Dividend & Reserves

The Directors did not recommend any dividend for the Financial Year ended 31st March, 2018.

During the year under review, no transfers were made to General Reserves.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The Company was not required to transfer any amount to Investor Education and Protection Fund.

### Material Changes & Commitments

There are no material changes & commitments affecting the financial position of the Company during the Financial Year 2017-18 and from the end of Financial Year 31st March 2018 till the date of this report.

### Internal Financial Control

The Company has effective internal financial control and risk mitigation system which are constantly assessed and strengthened. The Internal Auditors periodically reviews the effectiveness of the Internal Financial control. Further, same is reviewed by the Audit committee and suggestions are made for improvement.

### Subsidiary/Joint Ventures and Associates

The Company has no joint ventures with any other entities, nor has any associates.

During the year, 'Twinstar Software Exports Inc (USA)' ceased to be subsidiary of the Company.

### Deposits

The Company has not accepted any deposits under the provisions of section 73 of the Companies Act 2013 during the any of the previous Financial Years as well as Financial Year 2017-18.

### Auditors' Report

The Statements made by the Auditors in their report are self-explanatory and doesn't require any comments by the Board of Directors.

### **Statutory Auditors**

Under Section 139 of the Companies Act 2013 and rules made thereunder, the Members of the Company have appointed M/s Gupta Raj & Co., Chartered Accountants (Membership No. 001687N) at the 23rd Annual General Meeting for a consecutive period of 5 years to hold the office from the conclusion of the 23rd Annual General Meeting of the Company till the conclusion of 28th Annual General Meeting subject to the ratification by the members at every Annual General Meeting.

However Ministry of Corporate Affairs vide its notification dated 7th May 2018 has done away with the requirement of the ratification of the appointment of Statutory Auditors and hence M/s Gupta Raj & Co. (FRN: 001687N) shall act as Statutory Auditors till the AGM to be held for the year 2021-2022

### **Details of Frauds reported by Auditors'**

No frauds have been reported by auditors hence no disclosures are required under the provisions of Section 143 of the Companies Act 2013 and the rules made thereunder.

### **Share Capital**

During the F.Y. 2017-2018, there was no change in the Share Capital of the Company.

### **Extract of Annual Return**

The extract of the Annual Return in Form MGT 9, as required under Section 92 of the Companies Act 2013, is included in this Report as "Annexure – A"

### **Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo**

The information relating to conservation of energy, technology absorption & foreign exchange earnings & outgo by the Companies annexed to the report as "Annexure - B"

### **Corporate Social Responsibility**

The provisions of the Companies Act, 2013, relating to CSR expenditure are not applicable to the Company.

### **Directors**

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

##### **Appointments**

Mr. Rishabh Jain (DIN: 03439137) was appointed as Additional Non-Executive Independent Director on the Board with effect from 22nd March, 2018.

Mr. Harsh Mehta (DIN: 01719123) retired by rotation and was reappointed in the 23rd Annual General Meeting of the Company held on 30th September, 2017.

##### **Resignation**

Mr. Harsh Daulatmal Mehta (DIN: 01719123) and Mr. Rishabh Jain (DIN: 03439137) have resigned from the Board with effect from 07th June, 2018 respectively due to their pre-occupation. The Company appreciates their valuable contribution during their tenure.

##### **Retire by Rotation**

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Company's Articles of Association, Mr. Kailash Mehta (DIN: 01741399), Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

##### **Proposed Appointments**

The Board of Directors recommends members to appoint Mr. Dinesh Chand Sharma and Mr. Gaurav Bhandari as Independent Directors of the Company at the forthcoming Annual General Meeting for the period of 5 years from 28th September, 2018 to 27th September, 2023.

#### **B) Declaration by Independent Directors:**

The Company has received necessary declaration from Mr. Rishabh Jain, Independent Director under Section 149(7) of the Companies Act 2013 that he meets the criteria for Independence as laid down under Section 149(6) of the Companies Act 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**C) Board Evaluation :**

Pursuant to the provisions of the Companies Act, 2013, for the purpose of evaluating the performance of the Board as a whole, a structured questionnaire was prepared covering various aspects of the Board's functioning, composition of the Board and its committee, execution and performance of specific duties, obligations and the same was circulated amongst the Board of Directors for their feedback. The Board of Directors expressed their satisfaction with the evaluation process.

**Number of Meetings of Board of Directors**

During the year Board duly met 6 (Six) Times. The details of the number of meetings of the Board held during the Financial Year 2017-2018 along with attendance of directors, forms a part of the Corporate Governance Report.

**Audit Committee**

The composition of the Audit Committee and the number of Audit Committee meetings held during the Financial Year 2017-2018 forms a part of the Corporate Governance Report.

**Vigil Mechanism for Directors and Employees**

The Company has a Vigil Mechanism policy to report genuine concerns or grievances. The details form a part of the Corporate Governance Report.

**Nomination and Remuneration Committee**

The company has policies framed for remuneration and appointment of Directors, Key managerial personnel and senior management of the company. The composition of Committee and details of policy forms a part of the Corporate Governance Report.

**Particulars of Loans, Guarantees or Investments u/s 186 of the Companies Act 2013**

The Company has not given any guarantee or security in connection with any loan to any other body corporate or person exceeding the specified limits mentioned under section 186(2) of the Companies Act 2013.

Details of Loans and Investments made by the Company as on 31st March 2018, forms the part of Notes to accounts.

**Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act 2013 and the rules made there under the Company has appointed M/s. Priti J Sheth & Associates, a firm of Company Secretaries in Practice (C.P. No 5518) to undertake the Secretarial Audit of the Company for the F.Y. 2017-2018.

The Secretarial Audit Report is included as "Annexure C" and forms an integral part of this report.

**Directors Comments on the Secretarial Audit Report:**

The Company is in process of appointing Key Managerial Personnel and Independent Directors.

The Company is in process of reactivating its website. The Company is in process of restructuring the Composition of Board and Composition of the Audit and Nomination and Remuneration Committees to align the same as per the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Subsidiary Company Twinstar Software Exports Inc" (USA) has not started its operations and hence accounts were not consolidated. During the year under review Twinstar Software Exports Inc ceased to be the subsidiary of the Company.

**Related Party Transaction**

The transactions entered into by the Company with Related Parties are at Arm's Length Price and in ordinary course of business. Particulars of transactions entered into with related party are included as "Annexure D" in Form AOC - 2.

**Corporate Governance**

As per Regulation 27 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Statutory Auditor's confirming compliances, forms an integral part of this Report.



### **Maintenance of Cost Records**

Pursuant to the provisions of Section 148 of the Companies Act 2013 and the rules made there under the Company is not required to maintain cost records.

### **Risk Management Policy**

The Company has a Risk Management framework to identify, evaluate business risks and opportunities. The framework helps in identifying risks, exposure and potential impact analysis for the Company level.

### **Significant & Material Orders Passed by the Regulators or Courts or Tribunals**

There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company & its future operations.

### **Internal Complaints Committee**

The Company is in process of constituting of Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **Directors' Responsibility Statement**

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31st March 2018, the Board of Directors states:

1. That in preparation of the annual accounts for the year ended 31st March 2018, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any;
2. 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 as at March 31, 2018 and of the profit of the company for the year ended on that date;
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That they have prepared the annual accounts on a going concern basis.
5. That they have laid down Internal Financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Particulars of Employees**

The Company wishes to place on record appreciation for the contribution made by the employees to the operations of the Company.

There were no employees drawing the remuneration beyond the limits prescribed under Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014.

Details of top ten employees in terms of remuneration as required under Rule 5(2) of Companies (Appointment and Remuneration) Rules 2014 will be available for inspection at the Registered Office of the Company.

**Disclosure as per rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (as amended) are as follows:**



Sr. No	Particulars	Daulat Mehta	Harsh Mehta
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	6.67:1	6.67:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	25%	25%
3.	The percentage increase in the median remuneration of employees in the financial year	16.67%	
4.	The number of permanent employees on the rolls of company	10	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	19.73%	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Remuneration is as per the Companies policy	Remuneration is as per the Companies policy

#### Affirmation

The Company has complied with all the Applicable Secretarial Standards issued by Institute of Company Secretaries of India.

#### Acknowledgements

The Board of Directors of the Company acknowledges the continued support and co-operation extended by the Statutory Authorities, Government Authorities, Bankers, Stock Exchange, Stake holders and employees of the Company.

#### For Twinstar Industries Limited

Sd/-	Sd/-
D. S. Mehta	Kailash Mehta
Managing Director	Director
DIN: 01575366	DIN:01741399

Date: 13th August, 2018

Place: Mumbai

**“Annexure B” to the Board's Report**

The information relating to conservation of energy and technology absorption by the Company

**(A) Conservation of Energy**

- i. The steps taken or impact on conservation of energy: As the Company is not engaged in any manufacturing activity the conservation of energy is relatively low.
- ii. The steps taken by the company for utilizing alternates source of energy: NIL
- iii. The Capital Investment on energy conservation equipments: NIL

**(B) Technology Absorption**

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii. In case of imported technology (imported during last three years reckoned from beginning of financial year)
  - (a) Details of technology imported: NIL
  - (b) Year of Import: NIL
  - (c) Whether technology has been fully absorbed: NIL
  - (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: NIL
- iv. The expenditure incurred on Research and Development: NIL

**(C) Foreign Exchange Earnings & Outgo**

During the year under review there were no earnings in foreign exchange and there was no foreign exchange out go.

**For Twinstar Industries Limited**

Sd/-	Sd/-
D. S. Mehta	Kailash Mehta
Managing Director	Director
DIN: 01575366	DIN:01741399

Date: 13th August, 2018  
Place: Mumbai

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**“Annexure C” to the Board's Report**

**Secretarial Audit Report**

(For the Financial Year Ended 31st March 2018)

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

To,  
The Members,  
**Twinstar Industries Limited**

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

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

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Twinstar Industries Limited (“The Company”)** for the period ended on 31st March, 2018 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; (**Not applicable to the Company during Audit period**)
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not applicable to the Company during Audit period**)
  - 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) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable to the Company during Audit period**)
    - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not applicable to the Company during Audit period**)
    - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during Audit period**)
    - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable to the Company during Audit period**)
    - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (**Not applicable to the Company during Audit period**)

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
**(Not applicable to the Company during Audit period)**

VI. Other laws applicable specifically to the Company, namely:

- a) Information Technology Act, 2000 and the rules made thereunder;
- b) The Indian Copy Rights Act, 1957;
- c) The Patents Act, 1970; and
- d) The Trade Marks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:-

1. Company has not appointed Company Secretary in Whole-time employment of the Company and CFO as required under the provisions of section 203 of Companies Act 2013 read with Companies (Appointment of Managerial Personnel) Rules, 2014;
2. The Company has not appointed any Independent Directors required to be appointed by the company pursuant to section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
3. Company website is not updated with disclosures required under provisions of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Composition of Board of Directors and its Committees is not as prescribed under Provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. The Notice for holding Board meeting for approval of Financial results and the Financial results have not been published in Newspapers as required under SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.
6. The company has not prepared consolidated financial statements with its foreign subsidiary 'Twinstar Software Exports Inc' (USA) and has not attached alongwith its financial statement, a separate statement in Form AOC-1 containing the salient features of the financial statements of 'Twinstar Software Exports Inc' (USA) pursuant to Sec 129(3), of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.
7. The Company has not published AGM Notices in Newspaper.
8. Proofs of sending Annual reports to shareholders could not be verified.
9. Certain Promoters have not converted their shares in Demat Form.
10. The Company is yet to file certain E forms with Registrar of Companies.
11. The Company has not made certain intimations to Bombay Stock Exchange.
12. The Statutory Auditors are in process of obtaining peer review certificate.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**2. I further report that:**

- The Composition of the Board and its committees is not as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act 2013; However Company is in process of restructuring the Board and its committees as per the requirements.
- 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 Meeting were carried out unanimously.
- 3. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 4. I further report that during the audit period there were 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.

**For Priti J. Sheth & Associates  
Company Secretaries**

**Sd/-  
Priti Sheth  
CP No.: 5518  
FCS: 6833**

**Place:** Mumbai  
**Date:** 9th August, 2018



**Annexure to Secretarial Audit Report dated 9th August, 2018**

To,  
The Members,  
Twinstar Industries Limited

Our Secretarial Audit Report dated 9th August, 2018 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for our audit.
2. We have followed the audit practices and processes 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 processes and practices we followed provide a reasonable basis for our report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This 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 Priti J. Sheth & Associates  
Company Secretaries**

**Sd/-  
Priti Sheth  
CP No.: 5518  
FCS: 6833**

**Place:** Mumbai  
**Date:** 9th August, 2018

**“Annexure D” to the Board's Report****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)

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

I. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	Nil
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	

II. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	Rediant Comtrade Pvt Ltd- Kala Mehta is a Director	Kala Exports – Kala Mehta is Proprietor	Orignet Technologies Limited- Daulat Mehta and Harsh Mehta are Common Directors	Vintage Comtrade Pvt Ltd-
b)	Nature of contracts/ arrangements/transactions	No Contract	No Contract	No Contract	No Contract
c)	Duration of the contracts / arrangements/transactions	F Y 2017-2018	F Y 2017 - 2018	F Y 2017-2018	F Y 2017-2018
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of Rent for use of Premises. The transaction is carried out as part of the business requirements of the Company and at arm's length	Purchase of Electronic items. The transactions are carried out as part of the ordinary business requirements of the Company and at arm's length	Purchases of Fabrics. The transactions are carried out as part of the ordinary business requirements of the Company and at arm's length	Sale of Fabrics. The transactions are carried out as part of the ordinary business requirements of the Company and at arm's length
e)	Date(s) of approval by the Board, if any	30 <sup>th</sup> May, 2017	30 <sup>th</sup> May, 2017	30 <sup>th</sup> May, 2017	30 <sup>th</sup> May, 2017
f)	Amount of Transaction/s per annum	Rs. 180,000	Rs. 50,418,176	Rs. 20,696,605	Rs. 12,43,38,000

**For Twinstar Industries Limited**

Sd/- D. S. Mehta Managing Director DIN: 01575366	Sd/- Kailash Mehta Director DIN:01741399
-----------------------------------------------------------	---------------------------------------------------

Date: 13th August, 2018  
Place: Mumbai

**Disclosures required under Schedule V: Annual Report of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015**

**A. RELATED PARTY DISCLOSURE**

**1. Relationship:**

**1a. Key Managerial Personnel (KMP's) & Directors**

Mr. Daulat Mehta	Managing Director
Mr. Harsh Mehta	Whole Time Director
Mrs. Kala Mehta	Director
Mr. Kailash Mehta	Director

**1b. Other Related Party (Enterprise Owned or significantly influenced by Key Management Personnel)**

1.	Originet Technologies Limited
2.	Boostmetric Solutions Limited (Formerly known as Boostmetric Solutions Pvt Ltd)
3.	Kala Exports
4.	Rediant Comtrade Pvt Ltd (Formerly known as Radiant Finvest Pvt Ltd)
5.	Twinstar Holding & Finance Limited
6.	Earls General Trading Pvt Ltd (Formerly known as Earls Jewels Pvt Ltd)
7.	Stuti Comtrade Pvt Ltd (Formerly known as Stuti Finlease Pvt Ltd)
9.	Namita Stocktrade Pvt Ltd
10.	Vintage Comtrade Pvt Ltd (Formerly known as Vintage Finstock Pvt Ltd)

**Amount involved for parties referred in 1 (a) and 1(b)**

**(Rs. In lacs.)**

Nature of Transactions	Referred in		Referred in	
	1(a)		1(b)	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Salary	48.00	36.00	-	-
Rent	-	-	1.80	1.80
Advance against purchase	-	-	83.88	373.67
Purchases	-	-	18969.19	7145.73
Sales	-	-	1243.38	1366.84

The Company doesn't have any Holding Company. Hence, no disclosures related to Loans/advances/ investments have been made.

During the year, Twinstar Software Exports Inc ceased to be the subsidiary of the Company. Hence, no disclosures related to Loans/advances/ investments have been made.

**B. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

**Industry Structure and Development:**

With the IT expertise the company also focuses in various other fields of trade, commerce, commodity trades. The company is also very keen to work with the government of India on various other IT projects. With the "Make in India" initiative the company is very keen in working with various top players in the country on various projects which are well under its scope of Interest and expertise.

**Opportunity and Threats:**

The Board of Directors are exploring the possibilities of earning revenue for the Company through entering into BPO services by making use of the large infrastructure of the Company at Navi Mumbai. The Company has already started working on large government projects.



Management aims to achieve success with its endeavor to work with the Government of India and try and pick a few other projects too from various other departments of the Indian government. Management is already successful in its first step by becoming an EA with the UIDAI.

**Segment Wise/ Product Wise Performance:**

There has been a very good performance in the trading division as well as in I.T.

Since the company has started government business the performance of I.T. division will be many folds in the years to come.

**Outlook:**

Due to the presence of the Company in various industries and the willingness of the Board of Directors of the Company to keep on exploring various opportunities the future of the Company is promising and growth centered.

**Risk/ Concerns and Mitigation:**

The Company has a dynamic Risk Management framework to identify, evaluate business risks and opportunities. The framework helps in identifying risks, exposure and potential impact analysis for the Company level.

**Internal Control System and their adequacy:**

The Company has an in-house internal audit department which examines and ensures adequate internal checks and control procedures. It also ensures proper accounting, records authorization, control of operations and compliance with law.

Further, the Internal Auditors periodically reviews the effectiveness of the Internal Financial control and makes suggestions for constant improvements.

**Discussion on Financial Performance with respect to Operational performance:**

Twinstar Industries Limited, the company has been involved into IT businesses since its inception. At Twinstar our constant endeavor is to grow. In some recent developments the company has been appointed by UIDAI as an Enrollment Agency (EA). The company has started its operations and is progressing. The company expects good growth from the project. With a wider objective and trying to cater to a wider audience the company is also looking into various fields of work with the Government of India and a few other companies as well. With the recent changing and constant increasing competition, the company plans to take the challenge to them and perform better than its peers. With the new Mantra of "Inspire" the company would look into projects which are new and different. Company would also increase its scope of work in the field of IT and soon would show significant progress there too.

**Human Resources and Industrial Relations:**

The Company considers human resource as a valuable ingredient of the Company. The Company has appropriate policies in place for recruitment, training, skill development and compensation for its workmen, employees and staff. The Company makes an effort to keep on building good relationship with its associates, competitors and all the stakeholders in the various industries wherein it operates.

**Disclosure of Accounting Treatment:**

In Preparation of Financial Statements, a treatment as prescribed in Accounting Standard has been followed and hence no disclosures are required with respect to the same.

**For Twinstar Industries Limited**

Sd/-	Sd/-
D. S. Mehta	Kailash Mehta
Managing Director	Director
DIN: 01575366	DIN:01741399

Date: 13th August, 2018  
Place: Mumbai

### C. REPORT ON COPORATE GOVERNANCE

**The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018.**

#### COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

Twinstar Industries Limited believes that "Corporate Governance" refers to the processes and structure by which the business and affairs of the Company are directed and managed, in order to enhance long term shareholder value through enhancing corporate performance and accountability, whilst taking into account the interests of all stakeholders. Good corporate governance, therefore, embodies both enterprise (performance) and accountability (conformance).

#### THE BOARD OF DIRECTORS

##### Composition of the Board:

At present the composition of the Board is not in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 due to resignation of Independent Directors. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors and is in process of appointing Independent Directors to align the Board with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The Board of Directors as on 31st March 2018 comprised of 5 members.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the Companies in which he/she is Director. The composition of the Board in detail is as follows as on 31st March 2018:

Sr. No.	Name of The Directors	Category	No. of Directorships in other Public Limited Companies	Number of Committee positions held in other Public Limited Companies
1.	Mr. Daulat Mehta	Managing Director	2	Nil
2.	Mr. Harsh Mehta	Whole- Time Director	1	Nil
3.	Mrs. Kala Mehta	Non Executive Director	1	Nil
4.	Mr. Kailash Mehta	Non Executive Director	1	Nil
5.	Mr. Rishabh Jain <sup>1</sup>	Additional Non-Executive Independent Director	Nil	Nil

Note:

1. Mr. Rishabh Jain and Mr. Harsh Mehta resigned from the Directorship of the Company w.e.f. 07th June, 2018.

##### Meetings of the Board and Attendance of Directors:

The Meetings of the Board of Directors are generally held at its corporate office of the company at 702, Acme Plaza, Andheri Kurla Road, Andheri East, Mumbai- 400 059. The Board met six times on 30th May, 2017; 24th August, 2017; 11th September, 2017; 14th November, 2017; 14th February, 2018; 22nd March, 2018 during the year with clearly defined agenda, circulated well in advance before each meeting.

The Attendance of the members of the Board at the meeting held during the year and at the last Annual general Meeting (AGM) and also the number of other Directorship & Membership /Chairmanship of Committees as on March 31, 2018 are as follows:

Sr. No.	Name of the Directors	Meetings held during the tenure of the Director	No of Meetings attended	Attendance at the last AGM on 30/09/2017
1.	Mr. Kailash Mehta	6	6	Yes
2.	Mr. Daulat Samirmal Mehta	6	6	Yes
3.	Mrs. Kala Daulat Mehta	6	6	Yes
4.	Mr. Harsh Daulatmal Mehta <sup>1</sup>	6	6	Yes
5.	Mr. Rishabh Jain <sup>2</sup>	1	1	NA

## Notes:

1. Mr. Harsh Daulatmal Mehta has resigned as a Director with effect from 07th June, 2018.
2. Mr. Rishabh Jain has resigned as a Director with effect from 07th June, 2018.

**Disclosure of relationship between directors Inter - se:**

The Details of Nature of Directorship, Relationship with other Directors as follows:

Name of Director(s)	Nature of Directorship	Relationship with other Director(s)
Mr. Daulat Samirmal Mehta	Managing Director	Father of Mr. Harsh Mehta Spouse of Mrs. Kala Mehta Brother of Mr. Kailash Mehta
Mrs. Kala Mehta	Non Executive Director	Spouse of Mr. Daulat Mehta Mother of Mr. Harsh Mehta
Mr. Harsh Mehta	Whole Time Director	Son of Mr. Daulat Mehta & Mrs. Kala Mehta
Mr. Kailash Mehta	Non Executive Director	Brother of Mr. Daulat Mehta

**Number of shares and convertible instruments held by Non Executive Directors:**

Sr. No.	Name of Director(s)	Numbers of Shares held
1.	Mr. Kailash Mehta	980100
2.	Mrs. Kala Daulat Mehta	1481800
3.	Mr. Rishabh Jain	Nil

**Web link where details of familiarization programmes imparted to independent directors is disclosed:**

The Company is in process of updating the details on its website i.e. <http://www.twinstar.in>

**BOARD COMMITTEES**

The Board has constituted the following committees:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee

**1. Audit Committee:**

- (a) Brief description of Audit Committee of the Company

The Audit Committee of the Board of Directors of the Company inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

As required under Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted an Audit Committee (the "Committee"). The Committee acts as a link between the Statutory Auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements and

other management information and adequacy of provisions of liabilities. The primary objective of the "Committee" is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are as outlined in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the companies Act, 2013.

**(b) Composition & Meetings of Audit Committee**

Our Audit Committee comprised Three Directors as Members of the Committee as on 31st March, 2018. In the financial year 2017-18, the Audit Committee met 4 times on 30th May, 2017, 11th September, 2017, 14th November, 2017 and 14th February, 2018. The Changes in Composition of the Audit Committee and the details of meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of Meetings during the year	
		Eligible to attend	Attended
Mr. Rishabh Jain	Additional Non Executive – Independent Director	0	0
Mr. Kailash Mehta	Non Executive Director	4	4
Mrs. Kala Mehta	Non Executive Director	4	3

During the year, Mr. Daulat Mehta was appointed as chairperson in the committee w.e.f. on 11th September, 2017 and later Mr. Rishabh Jain replaced Mr. Daulat Mehta as Chairman w.e.f. 22nd March, 2018.

The Audit Committee is responsible for the areas specified by Regulation 18, Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 177 of the Companies Act 2013, besides other roles as may be referred by the Board of Directors. The Audit Committee has reviewed the Annual financial results, half-yearly results and internal working system of the company and has held discussion with the Statutory Auditors of the company.

**2. Nomination and Remuneration Committee :**

**(a) Brief description of Nomination and Remuneration Committee of the Company**

The terms of reference of the Nomination and Remuneration committee are as per the provisions of the Section 178 of the Companies Act, 2013 and Regulation 19, Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

1. Formulate criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
3. Devise a policy on Board Diversity;
4. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
6. Reviewing and recommending to the Board, the remuneration payable to Directors of your Company; and

7. Undertake any other matters as the Board may decide from time to time.

**(b) Composition & Meeting(s) of Nomination and Remuneration Committee**

In the financial year 2017-18, the Nomination and Remuneration Committee duly met two times on 24th August, 2017 and 12th March, 2018. The Composition of the Nomination and Remuneration Committee and details of Meetings attended by the Members of the Committee are given below:

Name	Category	No. of Meetings during the year	
		Eligible to attend	Attended
Mr. Kailash Mehta	Non Executive Director	2	2
Mrs. Kala Mehta	Non Executive Director	2	2
Mr. Rishabh Jain	Additional Non- Executive Independent Director	0	0

During the year, Mr. Daulat Mehta was appointed as Member in the Committee w.e.f. on 11th September, 2017 and later Mr. Rishabh Jain replaced Mr. Daulat Mehta as Chairperson w.e.f. 22nd March, 2018.

**Nomination and Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key managerial personnel and Senior Management and their remuneration.

The Nomination and Remuneration Policy provides for appropriate composition of Executive, Non-Executive and Independent Directors on the Board of Directors of your Company along with criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company. The said policy is available for inspection at the registered office of the Company on all the working days, except Saturdays, Sundays and holidays between 11.00 a.m. and 1.00 p.m.

**REMUNERATION OF DIRECTORS**

All pecuniary relationship or transactions of the Non executive Directors vis –a- vis listed entity.

There is no pecuniary relationship or transactions of the Non executive Directors vis – a - vis company.

**Criteria for making payments to Non Executive Directors.**

Remuneration payable to all the NEDs will be recommended by the NRC to the Board based on Company's performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

**Disclosure with respect to remuneration**

1. Remuneration package of individual directors

Name of the Director	Mr. Daulat Mehta	Mr. Harsh Mehta
Designation	Managing Director	Whole Time Director
Salary (Basic + HRA + Mediclaim +Conveyance)	24 Lacs	24 Lacs
Bonus	Nil	Nil
Stock Options	Nil	Nil
Pension	Nil	Nil

2. The Company does not offer any fixed component and performance incentives to any Director.
3. No Service contracts executed between the Company and Directors.

4. No Stock options were granted to any Director and employees.

**GENERAL BODY MEETINGS (HELD IN LAST 3 YEARS)**

Year	Date	Time	Venue	Details of Special Resolutions Passed
2016-2017	September 30, 2017	09.00 a.m	Plot No EL-178TTC MIDC INDL Area, Mahape, Navi Mumbai-400701	1. Re-appointment of Mr. Daulat Mehta as Managing Director for term of 5 Years.  2.To increase remuneration paid to Mr. Daulat Mehta, Managing Director of the Company.
2015-2016	September 29, 2016	09.00 a.m	Plot No EL-178TTC MIDC INDL Area, Mahape, Navi Mumbai-400701	1.Appointment of Mr. Harsh Mehta as Whole Time Director for term of 5 years and approval of his remuneration
2014-2015	September 30, 2015	09.00 a.m	Plot No EL-178TTC MIDC INDL Area, Mahape, Navi Mumbai-400701.	No Special Resolution

No resolution/s were passed through Postal Ballot

**MEANS OF COMMUNICATION**

**a. Quarterly Results :**

The unaudited quarterly/half yearly results are announced within 45 days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges.

**b. Website Details :**

The Company has its website however the same is under updation.

c. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed.

d. No presentations were made to institutional investors or to any analysts.

**SHARE HOLDERS INFORMATION**

**1. Annual General Meeting**

The 24th Annual General Meeting of the Company for the year ended March 31, 2018 will be held at its Registered Office situated at Plot No EL-178TTC MIDC INDL Area, Mahape, Navi Mumbai,- 400701 on Friday, 28th Day of September 2018 at 9.00 a.m

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

**3. Dividend Payment Date:**

No dividend was declared/paid during the year.

**4. Name & Address of Stock Exchange, Payment of Listing fees, Stock Code**

The equity shares issued by the Company are listed on the following Stock Exchanges and the Company is regular in payment of listing fees.

Sr. No.	Name & Address of Stock Exchange	Stock Code
1.	<b>Bombay Stock Exchange</b> Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001	531917

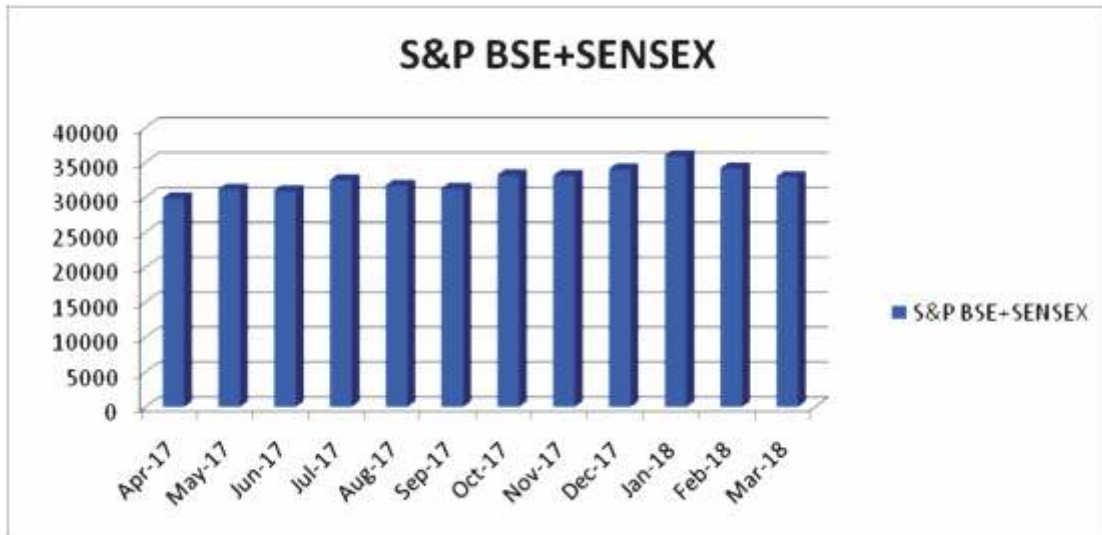
**Note:** The Company was listed on Bangalore Stock Exchange and Ahmedabad Stock Exchange however SEBI has granted exit to the exchanges vide its order dated 26th December, 2014.

**5. Stock Market Data**

Stock Market Price Data for the year 2017-18:

Month	BSE Prices	
	High (Rs.)	Low (Rs.)
April, 2017	2.35	1.77
May, 2017	1.98	1.55
June, 2017	2.17	1.57
July, 2017	1.64	1.15
August, 2017	1.55	0.96
September, 2017	1.61	0.94
October, 2017	1.86	1.66
November, 2017	1.78	1.66
December, 2017	2.61	1.80
January, 2018	3.06	2.09
February, 2018	2.72	1.86
March, 2018	2.43	2.05

**6. Performance in comparison to broad based BSE Sensex Indices**



**7. No securities are suspended from trading.**

**8. Registrar to an Issue and Share Transfer Agents**

M/s. Sharex Dynamic (India) Pvt. Ltd, Mumbai has been appointed as a common agency for both physical and electronic connectivity for dematerialization of shares.

To supplement to the prompt services given by the Registrar & Transfer Agent, the Stakeholders Relationship Committee meets as and when there are transfers/transmission of shares for the approvals of periodical transfers, issue of share certificates, splitting of shares etc.

All requests for dematerialization of shares are processed and confirmation thereof is sent to the shareholders within 21 days of the receipt thereof.

**9. Share Transfer System**

The transfer of shares in physical form is processed and completed by the registrar and transfer agent within a period of 7 days from the date of receipt thereof provided that all the documents are in order. In case of shares in electronic form the transfers are processed by NSDL/CDSL through respective depository participants. In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a practicing company secretary carries out audit of the system of transfers and the certificate to that effect is issued.

**10. Distribution of Shareholding of the Company as on March 31, 2018 is as follows**

Share Holding of Nominal Value of	Folios		Shares	
	Numbers	%	In Rs.	%
Up to 5000	6691	68.12	14793330	6.57
5001 – 10000	1318	13.42	11629960	5.17
10001 – 20000	682	6.94	11249800	5.00
20001 – 30000	273	2.78	7102070	3.16
30001 – 40000	134	1.36	4910570	2.18
40001 – 50000	203	2.07	9827300	4.37
50001 – 100000	254	2.59	19524460	8.68
100001 and Above	268	2.73	145962510	64.87
Total	9823	100	225000000	100

**11. Dematerialization of Shares**

The Equity Shares of the Company are to be traded compulsorily in Dematerialised form. About 92.84% of paid-up Equity Capital has been dematerialised as on 31st March, 2018.

The Company has entered in to agreements with the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for the purpose.

ISIN number for NSDL & CDSL: INE070B01013

**12. Company has not issued any Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.**

13. The Company is doing trading business for last 5 years. The Company has developed goo in roads in this market and trading business growing every year. The Company generally do not take risk in pricing as most of the time the Company pre-sales and the chances of loss is negligible and have average margin. Further the Company does not undertake hedging activities.

**14. Company does not have any plants.**

**15. Address for Correspondence - Investor Services**

For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to M/s. Sharex Dynamic (India) Pvt. Ltd, at the following address:

Unit-1, Luthra Ind. Premises,  
1st Floor, 44-E, M Vasanti Marg,  
Andheri-Kurla road, Safed pool,  
Andheri (E), Mumbai-400072  
Maharashtra



**OR**

Regd. Office: Plot No EL-178TTC MIDC INDLArea  
Mahape, Navi Mumbai-400701

**Other Disclosures:**

1. There were no significant related party transactions having potential conflict with the interest of listed entity at large.
2. The Company has generally complied with mandatory requirements except to the extent of following non-compliances: Composition of Board and Committees are not in conformity with requirements, Non Publication of Notices of Board and General meetings & Financial Results of the Company, Non Appointment of Company Secretary, Non appointment of CFO, Non functioning of Website however no penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to any of capital market, during the last three years.
3. Pursuant to Section 177(9) & (10) of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has formulated the Whistle Blower Policy for Vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Companies Code of Conduct. The mechanism provides for adequate safeguards against the victimization of the employees and directors who use such mechanism and makes provisions for direct access to the Chairperson of the audit committee in exceptional cases. None of the personnel of the company has been denied access to the audit committee.
4. The Company has complied with most of the mandatory requirements except to those mentioned above and as mentioned in the Secretarial Audit Report.  
Further the company has not adopted any non mandatory requirements.
5. The Company has formulated a material subsidiary policy. Further, due to non functioning of the website same was not disclosed on the website of the company.
6. The Website of the Company is under updation and hence no disclosures were published on the website. All the documents/ information required to be disclosed on the website are available for inspection at the registered office of the Company.
7. Company does not undertake hedging activities.

**The Company has not adopted any of the discretionary requirements specified in Part E of Schedule II.**

**Disclosure of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27**

Sr	Particulars	Regulation Number	Compliance status (Yes/No/NA)
1	Board composition	17(1)	No
2	Meeting of Board of directors	17(2)	Yes
3	Review of Compliance Reports	17(3)	Yes
4	Plans for orderly succession for appointments*	17(4)	NA
5	Code of Conduct	17(5)	Yes
6	Fees/compensation*	17(6)	NA
7	Minimum Information	17(7)	Yes
8	Compliance Certificate	17(8)	Yes
9	Risk Assessment & Management	17(9)	Yes
10	Performance Evaluation of Independent Directors	17(10)	There were no Independent Directors during the year
11	Composition of Audit Committee	18(1)	No
12	Meeting of Audit Committee	18(2)	Yes

13	Composition of nomination & remuneration committee	19(1) & (2)	No
14	Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
15	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
16	Vigil Mechanism	22	Yes
17	Policy for Related Party Transaction	23(1) 23(5) &(6) 23 (7) & (8)	Yes NA No
18	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
19	Approval for material related party transactions	23(4)	NA
20	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
21	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
22	Maximum Directorship & Tenure	25(1) & (2)	Yes
23	Meeting of independent directors	25(3) & (4)	No
24	Familiarization of independent directors	25(7)	No
25	Memberships in Committees	26(1)	Yes
26	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
27	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
28	Policy with respect to Obligations of Directors and Senior Management	26(2) & 26(5)	Yes

\* Plans for orderly succession for appointments: No such plans made

\* Fees/compensation: no such Fees/compensation is paid

**Disclosures of the compliance with corporate governance requirements specified in clauses (b) to (i) of sub-regulation (2) of regulation 46**

Company has its website however the same is under updation. Hence the disclosure required under clause (b) to (i) of sub-regulation (2) of regulation 46 were not disseminated on its website.

All the documents/ information required to be disclosed on the website are available for inspection at the registered office of the Company.

**Declaration of Compliance with the Code of Conduct**

**[As per the Provision of the Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015]**

I, Daulat Mehta, Managing Director of the Company do hereby declare that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management.

**For Twinstar Industries Limited**

**Sd/-  
Daulat Mehta  
(Managing Director)  
DIN: 01575366**



**Directors Certification**

[As per the Provision of the Part B of Schedule II and Regulation 17(8) of SEBI  
(Listing Obligations and Disclosure Requirements) regulations, 2015]

To,  
The Board of Directors  
**TWINSTAR INDUSTRIES LIMITED**  
**Mumbai**

I, Daulat Samirmal Mehta, Managing Director of the Company do hereby certify to the Board that:

- a. I, have reviewed the Financial Statements read with the Cash Flow Statement of **Twinstar Industries Limited** for the year ended March 31, 2018 and to the best of my knowledge and belief ;
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal control for financial reporting. I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and steps I have taken or proposed to be taken for rectifying these deficiencies.
- d. I have indicated to the Auditors and the Audit Committee:
  1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statement; and
  3. There have been no instances if significant fraud of which I 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.

*By Order of the Board*

**For Twinstar Industries Limited**

**Sd/-**  
**Daulat Mehta**  
**(Managing Director)**  
**DIN: 01575366**

**AUDITOR'S CERTIFICATE**

To,  
The Members,  
**Twinstar Industries Ltd.**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into, by the Company, with the Stock Exchanges of India, for the Financial Year ended on 31st March 2018.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation 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 statement of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review and to the best of our information and according to the explanations given to us, we certify that the Company has substantially complied with the conditions of Corporate Governance as stipulated in the Regulation 27 and Schedule V of the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there are certain non compliances like:(1) The Company has not appointed Company Secretary and CEO (2) The Company's website is under updation (3) The Board composition does not appear to be in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 (4) The Company has not published the Notices and Quarterly Results in newspapers as required by Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We state that one investor grievance is pending as at 31st March, 2018, for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investor Grievance Committee.

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 GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS**

**Sd/-  
(Nikul Jalan)  
Partner**

**Place: Mumbai  
Date: 9th August, 2018**

## GUPTA RAJ & CO. CHARTERED ACCOUNTANTS

DELHI OFFICE : 101, KD BLOCK, PITAMPURA, NEAR KOHAT ENCLAVE METRO STATION, NEW DELHI 110034 PH. NO. 011-47018333	MUMBAI OFFICE : 2-C, MAYUR APARTMENTS, DADABHAI CROSS RD. NO.3, VILE PARLE (WEST), MUMBAI, PIN 400056 PH. NO. 26210901, 26210902.	AHEMDABAD OFFICE : A-307 INFINITY TOWER, CORPORATE TOWER, PRAHALAD NAGAR, AHMEDABAD PIN – 380015 M. NO. 9726777733	NAGPUR BRANCH : 1ST FLR, MEMON JAMAD BUILDING, NR CENTRAL BANK, MASKASATH, ITWARI, NAGPUR – 440002 M. NO. 7387811111
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### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF TWINSTAR INDUSTRIES LIMITED

##### Report on the Ind AS Financial Statements

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

##### Management's Responsibility for the Ind AS Financial Statements

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

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

##### Auditors' Responsibility

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

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

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

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

Opinion

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. 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 derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR GUPTARAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

CANIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED : MAY 30, 2018

**Annexure 1 to the Independent Auditors' Report**

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

- (i) In respect of its fixed assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
- (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
- (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore provisions of sub clause (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) The company is not regular in depositing with appropriate authority undisputed statutory dues viz. Profession Tax, TDS, Service Tax, GST, FBT and Income Tax. According to the information and explanations given to us, below undisputed amounts payable were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

Nature of dues	Amount (₹) (excluding interest, if any)
Profession Tax	92,050
TDS on Professional fees	3,82,949
Service Tax	92,16,565
TDS on Rent	49,200
TDS on Brokerage	8,019
TDS on Contract	90,694

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



- (viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.
- (ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) As per the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR GUPTARAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

\_\_\_\_\_  
CANIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED : MAY 30, 2018

**Annexure 2 to the Independent Auditors' Report**

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

**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 TWINSTAR INDUSTRIES LTD ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.

FOR GUPTARAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

\_\_\_\_\_  
CANIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED : MAY 30, 2018

**Balance Sheet as at 31st March, 2018**

₹ in Lakh

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>I. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	2	449.611	451.672	522.347
(b) Intangible assets		-	-	-
(c) Financial Assets				
(i) Investments in subsidiaries	3	-	39.945	39.945
(ii) Other Investments	3a	0.027	74.027	74.000
(ii) Others	4	25.227	25.757	23.107
(d) Deferred tax assets (net)	5	-	11.229	17.766
(e) Other non-current assets	6	2.025	52.025	52.025
(f) Non-Current Tax Assets (Net)	7	-	-	-
<b>Total non current assets</b>		<b>476.890</b>	<b>654.656</b>	<b>729.189</b>
<b>(2) Current Assets</b>				
(a) Inventories	8	61.929	58.915	47.620
(b) Financial Assets				
(i) Trade receivables	9	2,991.077	3,440.027	2,119.625
(ii) Cash and cash equivalents	10	283.082	23.434	262.235
(iii) Bank balances other than (ii) above	11	60.920	68.918	10.486
(iv) Loans	12	-	-	-
(c) Other current assets	13	282.459	1,720.530	1,043.367
(d) Current Tax Assets (Net)	14	1.941	1.317	-
<b>Total current assets</b>		<b>3,681.409</b>	<b>5,313.141</b>	<b>3,483.332</b>
<b>TOTAL ASSETS</b>		<b>4,158.299</b>	<b>5,967.796</b>	<b>4,212.521</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity share capital	15	2,246.024	2,246.024	2,246.024
(b) Other equity	16	143.307	142.687	116.542
<b>Total equity</b>		<b>2,389.330</b>	<b>2,388.710</b>	<b>2,362.565</b>
<b>(2) Non current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	17	190.433	277.203	46.963
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
(d) Deferred Tax Liabilities (Net)	5	5.142	-	-
<b>Total non current liabilities</b>		<b>195.575</b>	<b>277.203</b>	<b>46.963</b>
<b>(3) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	448.966	922.465	912.358
(ii) Trade payables	19	949.791	2,174.797	<b>804.331</b>
(iii) Other financial Liabilities	20	13.406	13.025	1.249
(b) Other current liabilities	21	136.645	175.451	64.848
(c) Current Tax Liabilities	22	24.587	16.145	20.206
<b>Total Current liabilities</b>		<b>1,573.394</b>	<b>3,301.883</b>	<b>1,802.993</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,158.299</b>	<b>5,967.796</b>	<b>4,212.521</b>

 As per our report Of Even Date  
 For Gupta Raj & Co.  
 Chartered Accountants  
 Firm Reg No : 001687N

For Twinstar Industries Limited

 CA Nikul Jalan  
 Partner  
 Mem. No. 112353

 Daulat Mehta  
 Managing Director  
 (DIN - 01575366 )

 Kailash Mehta  
 Director  
 (DIN - 01741399 )

 Place : Mumbai  
 Date : 30.05.2018

## Statement of profit and loss for the year ended March 31, 2018

₹ in Lakh

Particulars	Note No.	For the Year ended March 31, 2018	For the Year ended March 31, 2018
<b>Revenue</b>			
I. Revenue from Operations (Gross)			
Sales of products and services	23	18,692.968	13,734.233
Other Operating revenue		-	-
II. Other income	24	8.918	128.446
<b>III. Total Income (I+II)</b>		<b>18,701.886</b>	<b>13,862.680</b>
<b>IV. Expenses</b>			
Purchase of stock-in-trade (Traded goods)	25	18,243.358	13,174.733
Changes in inventories of stock-in-trade	26	(3.014)	(11.295)
Employee Benefits Expenses	27	124.997	148.410
Finance Cost	28	71.205	145.866
Depreciation and Amortization Expenses	2	31.600	100.793
Other Expenses	29	158.446	263.799
<b>Total Expenses (IV)</b>		<b>18,626.591</b>	<b>13,822.305</b>
<b>V. Profit/(loss) before exceptional items and Tax</b>		<b>75.294</b>	<b>40.375</b>
<b>VI. Exceptional Items</b>			
Prior Period Expenses		3.917	-
<b>VII. Profit/(Loss) before Tax</b>		<b>71.377</b>	<b>40.375</b>
<b>VIII. Tax expense:</b>			
1. Current Tax		14.441	7.693
2. Deferred Tax		16.371	6.536
<b>IX. Profit/(Loss) for the period</b>		<b>40.565</b>	<b>26.145</b>
<b>X. Other comprehensive income</b>		-	-
<b>XI. Total comprehensive income for the period</b>		<b>40.565</b>	<b>26.145</b>
<b>XII. Earnings per equity share</b>	30		
Basic and diluted earnings per share		0.181	0.116
<b>Notes to Balance Sheet and Statement of Profit and Loss</b>	<b>1 - 36</b>		

As per our report Of Even Date  
For Gupta Raj & Co.  
Chartered Accountants  
Firm Reg No : 001687N

For Twinstar Industries Limited

CA Nikul Jalan  
Partner  
Mem. No. 112353

Daulat Mehta  
Managing Director  
(DIN - 01575366 )

Kailash Mehta  
Director  
(DIN - 01741399 )

Place : Mumbai  
Date : 30.05.2018

**Cash Flow Statement for the year ended 31st March, 2018**

₹ in Lakh

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	71.377	40.375
Adjustments to reconcile profit before tax to cash provided by operating activities		
Depreciation and amortisation expense	31.600	100.793
Finance cost	71.205	145.866
Interest & Dividend Income	(3.204)	(5.517)
<b>Operating Profit before Working Capital changes</b>	<b>170.978</b>	<b>281.516</b>
Changes in assets and liabilities		
(Increase)/Decrease in Trade receivables	448.950	(1,320.402)
(Increase)/Decrease in Inventories	(3.014)	(11.295)
(Increase)/Decrease in Other Current Assets	1,438.070	(677.163)
(Increase)/Decrease in Current Tax Assets	(11.235)	(0.270)
Increase/(Decrease) in Trade Payable and other current liabilities	(1,093.139)	1,370.466
Increase/(Decrease) in Borrowings - Current	(470.756)	10.107
Increase/(Decrease) in Other Current Financial Liabilities	0.381	11.775
Increase/(Decrease) in Other Current Liabilities	(38.807)	110.604
<b>Cash generated from operations</b>	<b>441.430</b>	<b>(224.662)</b>
Income taxes paid	5.999	12.802
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>435.431</b>	<b>(237.464)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment towards capital expenditure	(29.539)	(30.118)
Sale / (Purchase) of Investment	-	(0.027)
Interest and dividend received	3.204	5.517
(Increase)/Decrease in Other non-current Financial assets	0.530	(2.650)
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>(25.805)</b>	<b>(27.279)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	-
Increase/(Decrease) in Long Term Borrowings	(86.770)	230.240
Finance cost	(71.205)	(145.866)
<b>NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>	<b>(157.975)</b>	<b>84.374</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>251.651</b>	<b>(180.369)</b>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	92.352	272.721
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>344.003</b>	<b>92.352</b>

 As per our report Of Even Date  
 For Gupta Raj & Co.  
 Chartered Accountants  
 Firm Reg No : 001687N

For Twinstar Industries Limited

 CA Nikul Jalan  
 Partner  
 Mem. No. 112353

 Daulat Mehta  
 Managing Director  
 (DIN - 01575366 )

 Kailash Mehta  
 Director  
 (DIN - 01741399 )

 Place : Mumbai  
 Date : 30.05.2018

**Statement of Changes in Equity (SOCIE)**

₹ in Lakh

**(a) Equity share capital**

Particulars	Note	Amount ( ₹ in Lakhs )
Balance as at April 1, 2016		2,246.024
Changes in equity share capital during 2016-17		-
Balance as at March 31, 2017		2,246.024
Changes in equity share capital during the year		-
Balance as at March 31, 2018		2,246.024

**(b) Other equity**

Particulars	Note	Reserves & Surplus ( ₹ in Lakhs )				
		Capital Reserve	General Reserve	Revaluation Reserve	Retained Earnings	Total
<b>Balance at April 1, 2016</b>		-	198.370	-	(81.828)	<b>116.542</b>
Profit for the year		-	-	-	26.145	26.145
Other comprehensive income for the year		-	-	-	-	-
<b>Balance at March 31, 2017</b>		-	<b>198.370</b>	-	<b>(55.683)</b>	<b>142.687</b>
Profit for the year		-	-	-	40.565	40.565
Add/(Less): Adjustment of Fair value of Investments		-	-	-	(39.945)	(39.945)
Other comprehensive income for the year		-	-	-	-	-
<b>Balance at March 31, 2018</b>		-	<b>198.370</b>	-	<b>(55.063)</b>	<b>143.307</b>

As per our report Of Even Date  
For Gupta Raj & Co.  
Chartered Accountants  
Firm Reg No : 001687N

For Twinstar Industries Limited

CA Nikul Jalan  
Partner  
Mem. No. 112353

Daulat Mehta  
Managing Director  
(DIN - 01575366 )

Kailash Mehta  
Director  
(DIN - 01741399 )

Place : Mumbai  
Date : 30.05.2018

**Accompanying notes to the financial statements for the year ended 31st March, 2018**

**Company Overview:** The Company was incorporated under the Companies Act, 1956 on 19th July, 1984 under the name of TWINSTAR INDUSTRIES LIMITED. The Company is domiciled in India and is listed on the BSE Ltd. (BSE). The Company's registered office is at Plot No. EL-178, TTC MIDC Industrial Area, Mahape, Navi Mumbai, Maharashtra - 400701. The Company is engaged in the business like trading of chemicals, steels, fabric, oil paints and machinery and e-government projects like aadhar card creation, smart card and BCA services.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**(i) Basis of Preparation of financial statements:**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended March 31, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Cash Flows are provided in note 33.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**(ii) Basis of Measurement**

These financial statements are prepared under the historical cost convention unless otherwise indicated

**(iii) Key estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized.
- Impairment of Property, Plant and Equipment's
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets



**Accompanying notes to the financial statements for the year ended 31st March, 2018**

- Fair value of financial instruments
- Provisions and Contingent Liabilities

**(iv) Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

**(v) Property plant and equipment(PPE)**

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

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

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the Straight Line Method ("SLM").

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous



**Accompanying notes to the financial statements for the year ended 31st March, 2018**

estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements

**(vi) Non – derivative Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage

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

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

**Off setting of financial instruments**

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

**(vii) Impairments of Non-financial assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any

**Accompanying notes to the financial statements for the year ended 31st March, 2018**

impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset

When there is indication that an impairment loss recognized for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

**(viii) Inventories:**

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**(ix) Revenue recognition**

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of excise duty and net of returns, trade discounts, rebates and sales taxes.

Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.

Dividend income is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably

**(x) Employee benefits****Short-Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service

**Post Employment Benefits**

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due

**Terminal Benefits**

All terminal benefits are recognized as an expense in the period in which they are incurred

**(xi) Borrowing costs**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred

**(xii) Taxes on Income**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI



**Accompanying notes to the financial statements for the year ended 31st March, 2018**

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date

**Deferred Tax**

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

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

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

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

Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority

**(xiii) Accounting for provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable

**(xiv) Earnings per share**

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares

**Note 2 : Property, plant and equipment**

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018:

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office equipment	Furniture & Fixtures	Computer Equipments and Hardware	Leasehold land	Building	Electric Installation	TOTAL
Cost as at April 1, 2017	34.67	86.68	6.71	101.53	1,444.46	50.13	387.83	31.13	2,143.13
Additions	0.27	-	0.50	6.09	-	-	22.69	-	29.54
Deletions	-	-	-	-	-	-	-	-	-
<b>Cost as at March 31, 2018 (A)</b>	<b>34.94</b>	<b>86.68</b>	<b>7.20</b>	<b>107.62</b>	<b>1,444.46</b>	<b>50.13</b>	<b>410.52</b>	<b>31.13</b>	<b>2,172.67</b>
Accumulated depreciation as at April 1, 2017	26.42	20.89	5.80	76.70	1,417.07	-	122.54	22.04	1,691.46
Depreciation for the current period	0.79	10.36	0.27	3.46	3.61	-	11.91	1.19	31.60
Depreciation upto 1.4.2016	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2018 (B)</b>	<b>27.21</b>	<b>31.25</b>	<b>6.07</b>	<b>80.16</b>	<b>1,420.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,723.06</b>
<b>Net carrying amount as at March 31, 2018 (A) - (B)</b>	<b>7.73</b>	<b>55.43</b>	<b>1.14</b>	<b>27.45</b>	<b>23.77</b>	<b>50.13</b>	<b>410.52</b>	<b>31.13</b>	<b>449.61</b>

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017:

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office equipment	Furniture & Fixtures	Computer Equipments and Hardware	Leasehold land	Building	Electric Installation	TOTAL
Cost as at April 1, 2016	31.17	76.75	6.41	95.29	1,434.42	50.13	387.83	31.01	2,113.02
Additions	3.50	9.93	0.30	6.24	10.04	-	-	0.12	30.12
Deletions	-	-	-	-	-	-	-	-	-
Transferred as per scheme of Arrangement	-	-	-	-	-	-	-	-	-
<b>Cost as at March 31, 2017 (A)</b>	<b>34.67</b>	<b>86.68</b>	<b>6.71</b>	<b>101.53</b>	<b>1,444.46</b>	<b>50.13</b>	<b>387.83</b>	<b>31.13</b>	<b>2,143.13</b>
Accumulated depreciation as at April 1, 2016	25.97	11.36	5.58	73.89	1,341.92	-	111.08	20.86	1,590.67
Depreciation for the year	0.45	9.53	0.21	2.82	75.15	-	11.45	1.18	100.79
Deletions	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2017 (B)</b>	<b>26.42</b>	<b>20.89</b>	<b>5.80</b>	<b>76.70</b>	<b>1,417.07</b>	<b>-</b>	<b>122.54</b>	<b>22.04</b>	<b>1,691.46</b>
<b>Net carrying amount as at March 31, 2017 (A)- (B)</b>	<b>8.25</b>	<b>65.79</b>	<b>0.91</b>	<b>24.83</b>	<b>27.38</b>	<b>50.13</b>	<b>265.30</b>	<b>9.08</b>	<b>451.67</b>
Net carrying amount as at April, 1 2016	5.20	65.39	0.82	21.40	92.50	50.13	276.75	10.15	522.35



The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office equipment	Furniture & Fixtures	Computer Equipments and Hardware	Leasehold land	Building	Electric Installation	TOTAL
Gross Block	31.17	76.75	6.41	95.29	1,434.42	50.13	387.83	31.01	2,113.02
Accumulated Depreciation	25.97	11.36	5.58	73.89	1,341.92	-	111.08	20.86	1,590.67
Net Block	5.20	65.39	0.82	21.40	92.50	50.13	276.75	10.15	522.35

**Note 3 : Investments in subsidiaries**

Particulars	Face Value	As at March 31, 2018		As at March 31, 2017		As at 1st April 2016	
		Number	Value	Number	Value	Number	Value
(1) Investment in Equity Instruments ( Fully paid up )							
(A) Unquoted Investment							
(i) In Subsidiaries :							
Twinstar Software Inc.	10	-	-	3.995	39.945	3.995	39.945
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3.995</b>	<b>39.945</b>	<b>3.995</b>	<b>39.945</b>

**Note 3A : Non-Current Investments**

Particulars	Face Value	As at March 31, 2018		As at March 31, 2017		As at 1st April 2016	
		Number	Value	Number	Value	Number	Value
(1) Investment in Equity Instruments ( Fully paid up )							
(A) Unquoted Investment							
R Vision India Pvt Ltd.	10	-	-	7.4000	74.0000	7.4000	74.0000
DNS Bank	10	0.0016	0.0160	0.0016	0.0160	-	-
Gesia	10	0.0001	0.0010	0.0001	0.0010	-	-
SVC Bank	10	0.0010	0.0103	0.0010	0.0103	-	-
<b>Total</b>		<b>0.0027</b>	<b>0.0273</b>	<b>7.4027</b>	<b>74.0273</b>	<b>7.4000</b>	<b>74.0000</b>

**Note 4 : Other non-current Financial Assets**

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1st April 2016
	₹	₹	₹
Security Deposits*	25.23	25.76	23.11
	<b>25.23</b>	<b>25.76</b>	<b>23.11</b>

These are security depositis given to various authorities for uncertain period

**Note 5 : Deferred Tax (Assets)/ Liabilities (Net)**

<b>1. Liabilities</b>			
(a) Written Down Value of Assets	13.04	11.61	16.68
(b) Other Provisions	-	-	-
<b>2. Assets</b>			
(a) Closing Business Loss	7.89	22.84	31.75
(b) Timing Difference (Property Tax)	-	-	2.70
<b>Deferred Tax (Assets)/Liabilities (Net) (1-2)</b>	<b>5.14</b>	<b>(11.23)</b>	<b>(17.77)</b>

**Note 6 : Other non-current assets**

Other non-current assets	2.03	52.03	52.03
	<b>2.03</b>	<b>52.03</b>	<b>52.03</b>

**Note 7 : Non-Current Tax Assets (Net)**

	-	-	-
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**Note 8 : Inventories**

Raw Material	-	-	-
Stock in Trade	61.93	58.92	47.62
	<b>61.93</b>	<b>58.92</b>	<b>47.62</b>



**Note 9 : Trade and other receivables**

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at 1st April 2016 ₹
<b>Trade Receivables</b>			
Unsecured, considered good	2,991.08	3,440.03	2,119.62
	2,991.08	3,440.03	2,119.62
Less: Provision for doubtful debts	-	-	-
	<b>2,991.08</b>	<b>3,440.03</b>	<b>2,119.62</b>

**Note 10 : Cash and cash equivalents**

Cash on hand	13.57	5.99	33.31
Balance with banks			
- Current accounts	37.69	17.44	228.92
- Cheques on hand	231.82		
	<b>283.08</b>	<b>23.43</b>	<b>262.24</b>

**Note 11 : Other bank balances**

Fixed deposits due to mature within 12 months of reporting date (Including accrued interest)	60.92	68.92	10.49
	<b>60.92</b>	<b>68.92</b>	<b>10.49</b>

**Note 12 : Current financial assets - Loans**

Loans & advances to employees	-	-	-
	-	-	-

**Note 13 : Other current assets**

Advance to Suppliers			
Unsecured, considered good	252.82	1,701.82	1,042.40
Prepaid Expenses	0.00	0.57	0.97
Indirect Taxes	29.64	18.14	-
	<b>282.46</b>	<b>1,720.53</b>	<b>1,043.37</b>

**Note 14 : Current Tax Assets (Net)**

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at 1st April 2016 ₹
Direct taxes	1.94	1.32	-
	<b>1.94</b>	<b>1.32</b>	<b>-</b>

**Note : 15**
**Share capital**

( ₹ in Lakhs )

	31-Mar-18	31-Mar-17	01-Apr-16
<b>a. Details of authorised, issued and subscribed share capital</b>			
<b>Authorised Capital</b>	<b>2,250.00</b>	<b>2,250.00</b>	<b>2,250.00</b>
22,500,000 Equity shares of Rs 10 each			
<b>Issued, Subscribed and fully Paid up</b>	<b>2,246.02</b>	<b>2,246.02</b>	<b>2,246.02</b>
22,460,236 Equity shares of Rs 10 each			
	<b>2,246.02</b>	<b>2,246.02</b>	<b>2,246.02</b>



**b. Reconciliation of number of shares at the beginning and at the end of the year**

( Figures in Lakhs )

Particulars	31-Mar-18		31-Mar-17		01-Apr-16	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	224.602	2,246.024	224.602	2,246.024	224.602	2,246.024
Add: Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	<b>224.602</b>	<b>2,246.024</b>	<b>224.602</b>	<b>2,246.024</b>	<b>224.602</b>	<b>2,246.024</b>

**d. Shareholders holding information**

( Figures in Lakhs )

Shareholders holding more than 5% of shares in the company	31-Mar-18		31-Mar-17		01-Apr-16	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
Kala Mehta	14.818	6.59	14.818	6.59	14.818	6.59
Daulat S. Mehta	11.619	5.16	11.619	5.16	11.619	5.16
Twinstar Holding & Finance Ltd.	19.000	8.44	19.000	8.44	19.000	8.44
Vintage Finstock Pvt. Ltd.	33.000	14.67	33.000	14.67	33.000	14.67
<b>Total</b>	<b>78.437</b>	<b>34.87%</b>	<b>78.437</b>	<b>34.87%</b>	<b>78.437</b>	<b>34.87%</b>

**e. The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.**

**Note 16 : Other Equity**

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at 1st April 2016 ₹
Capital Reserve	-	-	-
Revaluation reserve	-	-	-
General Reserve	198.37	198.37	198.37
Retained Earnings	(55.06)	(55.68)	(81.83)
	<b>143.31</b>	<b>142.69</b>	<b>116.54</b>

**Note 17 : Non Current financial Liabilities - Borrowings**

<b>Unsecured</b>			
a) From related party	-	-	-
b) Other loans and advances			
i) From bank	-	-	-
ii) From Others	-	-	-
<b>Secured</b>			
i) From Banks	160.03	250.33	12.55
ii) From others	30.40	26.87	34.41
	<b>190.43</b>	<b>277.20</b>	<b>46.96</b>

**Note 18 : Current Financial Liabilities - Borrowings**

<b>Secured</b>			
Bank O/d	448.97	914.96	908.77
Car Loan (Secured against Car)	-	7.51	3.59
	<b>448.97</b>	<b>922.46</b>	<b>912.36</b>

**Bank O/d is secured against :**

- (i) Hypothecation of Stock & Debtors.
- (ii) Personal Guarantee of Mr. Daulat Mehta and Mr. Kailash Mehta, directors of company.
- (iii) Mortgage of Property situated at 178, Electronic Road, MIDC Industrial Area, Navi Mumbai - 400 701.

**Note 19 : Trade Payable**

(a) Outstanding dues of Micro and Small Enterprise	-	-	-
(b) Others	949.79	2,174.80	804.33
	<b>949.79</b>	<b>2,174.80</b>	<b>804.33</b>

**Note 20 : Current - Other financial liabilities**

Creditors for fixed assets			
Accrued expenses	2.80	3.61	1.25
Current Maturities of Long-term debt	-	-	-
Other deposit	-	-	-
Penalty	10.61	9.42	-
	<b>13.41</b>	<b>13.02</b>	<b>1.25</b>

**Note 21 : Other current liabilities**

Statutory dues payable	107.00	90.47	38.99
Advance from customers	29.64	84.98	25.86
Sundry advances	-	-	-
	<b>136.64</b>	<b>175.45</b>	<b>64.85</b>

**Note 22 : Current Tax Liabilities**

Income tax Liabilities	24.59	16.15	20.21
	<b>24.59</b>	<b>16.15</b>	<b>20.21</b>

**Note 23 : Revenue from Operations**

Particulars	For the Year ended March 31, 2018 ( ₹ in Lakhs )	For the Year ended March 31, 2018 ( ₹ in Lakhs )
Sales of products	18,465.51	13,214.50
Sales of Service	227.46	519.74
Less : Trade discount, Returns, Rebate etc.,	-	-
	<b>18,692.97</b>	<b>13,734.23</b>

**Note 24 : Other Income**

Interest income on :		
- Deposits with banks	1.60	2.64
- others	1.61	2.87
Miscellaneous income	5.71	122.93
	<b>8.92</b>	<b>128.45</b>

**Note 25 : Purchase of stock-in-trade (Traded goods)**

Purchases	18,243.36	13,174.73
	<b>18,243.36</b>	<b>13,174.73</b>

**Note 26 : Changes in inventories of stock-in-trade**

Opening Inventory		
Stock in Trade	58.92	47.62
	<b>58.92</b>	<b>47.62</b>
Closing Inventory		
Stock in Trade	61.93	58.92
	<b>61.93</b>	<b>58.92</b>
<b>Changes in inventory</b>	<b>(3.01)</b>	<b>(11.30)</b>

**Note 27 : Employee benefit expense**

Particulars	For the Year ended March 31, 2018 ( ₹ in Lakhs )	For the Year ended March 31, 2018 ( ₹ in Lakhs )
Salaries, wages and bonus	69.76	109.79
Contributions to -		
" Provident fund "	4.38	-
Other funds	-	-
Directors Remuneration	48.00	36.00
Staff welfare expenses	0.15	-
Staff Travelling Expenses	2.70	2.62
	<b>125.00</b>	<b>148.41</b>

**Note 28 : Finance cost**

Interest expenses	49.32	137.14
Other Borrowing cost	21.89	8.72
	<b>71.20</b>	<b>145.87</b>

**Note 29 : Other Expenses**

Audit Fees	1.39	1.04
Bank Charges	2.75	5.06
BCA Commission	3.81	-
Brokerage & Commission	8.70	4.59
Business Promotion Expenses	10.76	2.94
Document Scanning Charges	0.55	-
Electricity Expenses	4.50	3.23
Insurance Charges	0.97	1.60
Internet Charges	0.75	1.45
LC Stamp Duty	0.16	-
Listing / Custodian Fees	4.67	3.22
Membership & Subscription	0.21	0.06
Miscellaneous Expenses	0.38	0.44
Motor Car Expenses	3.91	0.65
Office Expenses	13.50	1.23
Printing and Stationery	1.07	7.20
Professional Fees	13.26	2.90
Project charges	4.19	9.68
Rates & Taxes	2.29	13.11
Rent	4.46	8.64
Repair & Maintenance	1.29	1.63
ROC Expenses	0.43	0.07
Security Charges	1.90	1.86
Share Registrar Charges	0.84	1.07
Software Development Charges	0.53	35.00
Telephone Expenses	2.45	7.84
Tender Fees	0.01	-
Travelling Charges	43.17	37.10
Vendor Expenses	14.66	111.97
Water Charges	0.88	0.22
	<b>158.45</b>	<b>263.80</b>

**Note 30 : Earnings per share (EPS)**

"Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares."

( Figures in Lakhs )

Particulars	March 31, 2018	March 31, 2018
<b>i. Profit attributable to equity holders (Rs in lakhs)</b>		
Profit attributable to equity holders of the parent for basic and diluted EPS	40.565	26.145
	<b>40.565</b>	<b>26.145</b>
<b>ii. Weighted average number of ordinary shares</b>		
Issued ordinary shares	224.602	224.602
Add/(Less): Effect of shares issued/ (bought back)		-
Weighted average number of shares at March 31 for basic and diluted EPS	224.602	224.602
<b>iii. Basic and diluted earnings per share (Rs)</b>	<b>0.181</b>	<b>0.116</b>

**Note 31 : Financial Risk Management**

"The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities."

"The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The 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 adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if required, an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

**iii. 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.

"Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents."

**Note 32 : Capital Management**

"For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value."

The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants."

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

( Figures in Lakhs )

Particular	As at 31st March 2018	As at 31st March 2017	As at 01st April 2016
Non- Current borrowing	190.433	277.203	46.963
Current borrowings	448.966	922.465	912.358
Current maturity of long term debt	-	-	-
<b>Gross debt</b>	<b>639.399</b>	<b>1,199.668</b>	<b>959.322</b>
Less : Cash and cash equivalents	283.082	23.434	262.235
Less : Other bank balances	60.920	68.918	10.486
<b>Adjusted net debt</b>	<b>295.396</b>	<b>1,107.316</b>	<b>686.601</b>
Total Equity	2,389.330	2,388.710	2,362.565
<b>Adjusted Net debt to Equity ratio</b>	<b>0.124</b>	<b>0.464</b>	<b>0.291</b>

### NOTE 33 : First time - Adoption of Ind AS

#### 1. Explanation of transition to Ind AS:

"As per Note 1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('IGAAP'). The accounting policies set out in Note 1 have been applied in preparing these financial statements for the year ended 31 March 2018 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016. In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2018, the Company has adjusted amounts previously reported in the financial statements prepared in accordance with IGAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with IGAAP, and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows."

#### 2. Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

##### A. Optional exemptions availed

##### i) Property, plant and equipment and Intangible assets

The Company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition (1 April 2016).

##### ii) Investment in Subsidiaries

The Company has elected to use the exemption to measure all investments in Subsidiaries as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2016).

##### B. Mandatory Exceptions

##### l) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**ii) Classification and measurement of financial assets**

As permitted under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**3. Reconciliation of net worth**

(₹ in Lakhs)

Particulars	Footnote ref.	As at 31 March, 2017	As at 1 April, 2016
Net worth under IGAAP		2,388.710	2,362.565
Summary of Ind AS adjustments		-	-
Total Ind AS adjustments		-	-
Net worth under Ind AS		2,388.710	2,362.565

**4. Reconciliation of profit and loss**

Particulars	Footnote ref.	March 31, 2017
Net Profit as per Indian GAAP		26.145
Summary of Ind AS adjustments		-
Total Ind AS adjustments		-
Profits as per Ind AS		26.145

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

**Note 34 : Related Party Transactions:**

**1) Relationships**

**a) Key Management Personnel (KMP)**

Kala Daulat Mehta	Director
Daulat Samirmal Mehta	Managing Director
Harsh Daulatmal Mehta	Director
Kailash Mehta	Director
Rishabh Jain	Director

**b) Other Related Party (Enterprise Owned or significantly influenced by Key Management Personnel)**

Originet Technologies Limited
Boostmetric Solutions Limited (Formerly known as Boostmetric Solutions Pvt Ltd)
Kala Exports
Radiant Comtrade Pvt Ltd (Formerly known as Radiant Finvest Pvt Ltd)
Twinstar Holding & Finance Limited
Earls General Trading Pvt Ltd (Formerly known as Earls Jewels Pvt Ltd)
Stuti Comtrade Pvt Ltd (Formerly known as Stuti Finlease Pvt Ltd)
Vintage Comtrade Pvt Ltd (Formerly known as Vintage Finstock Pvt Ltd)
Namita Stocktrade Pvt Ltd

Note: Related Party Relationships are as identified by the management and relied upon by the auditors.

## 2) Amount involved for parties referred in 1 (a) and 1 (b)

(₹ in Lakhs)

Nature of Transactions	Referred in 1(a)		Referred in 1(B)	
	31-03-2018	31-03-2018	31-03-2018	31-03-2018
Salary	48.00	36.00	-	-
Rent	-	-	1.80	1.80
Advance against purchase	-	-	83.88	373.67
Purchases	-	-	18,969.19	7,145.73
Sales -	-	1,243.38	1,366.84	-
Receipt against loans given	-	-	651.16	-

**Note 35 :** There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 36 :** Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report Of Even Date  
For Gupta Raj & Co.  
Chartered Accountants  
Firm Reg No : 001687N

For Twinstar Industries Limited

CA Nikul Jalan  
Partner  
Mem. No. 112353

Daulat Mehta  
Managing Director  
(DIN - 01575366 )

Kailash Mehta  
Director  
(DIN - 01741399 )

Place : Mumbai  
Date : 30.05.2018