VISHVA-VISHAL ENGINEERING LTD

Registered Office: 31, 3rd Floor, Maker Chamber III, Nariman Point, Mumbai MH 400021
(CIN- L28920MH1985PLC035656)

The **Date: 11/05/2020**
BSE Limited
(Scrip Code – 512321)
Listing Department,
P.J Towers, Dalal Street,
Mumbai- 400 001

Attn.: Corporate Relation Dept.

Dear Sir,

Sub: In compliance with Regulation 34 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013, submission of Annual Report 2017-18 duly approved and adopted by the Shareholders of the company.

We are enclosing herewith the Annual Report 2017-18 approved and adopted by the Shareholders of the company at the Annual General Meeting held on 28th September, 2018.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For VISHVA- VISHAL ENGINEERING LIMITED

SD/-
Ashish Jain
Director
DIN: 00207048

Encl: As stated above

VISHVA-VISHAL ENGINEERING LTD

Registered Office: 31, 3rd Floor, Maker Chamber III, Nariman Point, Mumbai MH 400021
(CIN- L28920MH1985PLC035656)

NOTICE

To,
The Members,
VISHVA-VISHAL ENGINEERING LTD

NOTICE is hereby given pursuant to section 101 of the Companies Act, 2013 that annual general meeting of the Members of Vishva-Vishal Engineering Ltd for the year ended 31st March, 2018 will be held on Friday the 28th day of September, 2018 at 11:00am at the registered office of the company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements including balance sheet and statement of profit & loss of the company as on 31st March, 2018 along with notes appended thereto and the reports of the directors and auditors thereon and for that purpose to consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

   "**RESOLVED THAT** the financial statements including balance sheet and statement of profit & loss of the company, for the year ended on 31st March, 2018 and the reports of the directors and auditors thereon be and are hereby approved and adopted."

2. To appoint M/s VAN & Associates, Chartered Accountants, Bhilai, (Firm Registration No. 017427C) as statutory auditors of the company and to fix their remuneration and for that purpose to consider and if thought fit to pass with or without modification (s) the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and such other provisions, rules and regulations, if any of the Companies Act, 2013 (including any statutory modifications for the time being on force) as may be applicable M/s VAN & Associates, Chartered Accountants, Bhilai, (Firm Registration No. 017427C) be and are hereby appointed as statutory auditors of the company to hold office from the conclusion of ensuing annual general meeting to be hold for the financial year 2018-2019 at a remuneration to be mutually agreed between the Board of Directors and the said auditors."

ON BEHALF OF THE BOARD
For, **VISHVA-VISHAL ENGINEERING LTD**

(Director)
Ashish Jain
DIN-00207048

Date: Bhilai
Place: August 06th, 2018

NOTES:

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

2) **THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3) Members are requested to bring their copies of Annual Report and Attendance Slip at the meeting.

4) Members are requested to:
   a) Quote their folio no. in all their correspondence with the company.
   b) Notify the company, changes, if any, in their Registered Address along with pin code.

5) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company on all working days except Saturday and holidays, between 11:00 A.M. and 01:00 P.M. upto the date of the Annual General Meeting.

6) Shareholders seeking any information with regard to accounts are requested to write to the company at the earliest so as to enable the management to keep the information /records ready.

7) Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 is annexed to this Notice.

****

VISHVA-VISHAL ENGINEERING LTD

Registered Office: 31, 3rd Floor, Maker Chamber III, Nariman Point, Mumbai MH 400021
(CIN- L28920MH1985PLC035656)

DIRECTORS' REPORT TO THE MEMBERS

Your directors are pleased to present the annual report on the business and operations of the company for the year ended on 31st March, 2018 together with audited financial statements and the report of the directors and the auditors thereon.

FINANCIAL RESULTS:

A summary of the company's financial performance for the year ended 31st March, 2018 along with the figures for previous years is summarised as under:

(Rs. In Lacs)

FOR THE YEAR ENDED	31st Mar'18	31st Mar'17
Revenue from operations	7335.39	7540.82
Other Income	263.63	227.92
Total revenue from operations	7559.02	7768.74
Financial costs	71.88	84.08
Other expenses	969.23	905.40
Total expenses	7200.95	7238.41
Profit before tax	398.07	530.33
Tax expenses	147.59	196.86
Profit after tax	250.48	333.47
Earning per equity share (in Rs.)	Rs.10.02	Rs.13.34

OPERATIONAL REVIEW AND THE STATE OF COMPANY'S AFFAIRS:

In the year under review, your company has performed satisfactory and has achieved total revenue of Rs.7559.02 lacs as compare to Rs.7768.74 lacs in the previous financial year whereas the net profit of the company before tax is at Rs.398.07 lacs which was Rs.530.33 in the preceding financial year. Profit after tax of the company was Rs.250.48 lacs. Turn down in revenue and profit of the company took place due to unfavourable market condition.

DIVIDEND:

Your directors do not recommend any dividend for the reporting period.

TRANSFER TO RESERVES

The company has transferred no amount to reserve.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There have been no material changes and commitments, if any, affecting the financial position of the company which have occurred during the financial year to which the financial statements relate and the date of the report, if any, disclosed in separate respective head.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, no loans, guarantees or investments made by the company under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The company has no subsidiary, joint venture and associate company during the year under review.

MEETINGS OF THE BOARD:

The notice of board meeting is given well in advance to all the directors. The agenda of the board meetings is circulated at least a week prior to the date of the meeting. The agenda for the board meetings includes detailed notes on the items to be discussed at the meeting to enable the directors to take an informed decision. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

During the year under review, 06 (six) board meetings were held by the board of directors.

REPLY ON QUALIFICATION OF AUDITORS REPORT:

No new corporate guarantee given by the company only previous loans is pending where corporate guarantee has given by the company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the Company and its future operations.

EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

The extract of the annual return pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure 'A'** and is attached to this report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

In accordance with the requirements of section 134 (3)(m) of the Companies Act, 2013 read with the companies (Disclosure of Particulars in Report of Board of) Rules 1988, a statement showing the information relating to the conservation of energy, research and development, technology absorption and foreign exchange earnings and is enclosed as **"Annexure-B"** and should be treated as a part of this report.

RISK MANAGEMENT POLICY:

With regard to risk management policy, the risk pertaining to business of the company is discussed by the board of directors at the board meetings on the regular basis. However, no element of risk which in the opinion of the Board may threaten the existence of the company has been identified so far.

DIRECTORS:

During the reporting year no change in directors has been taken place.

All the directors declared that none of them is disqualified from being appointed as director of the company under Section 164 of the Companies Act, 2013. All the directors have disclosed there interest in the prescribed form MBP-1 as required under section 184 of the Companies Act, 2013.

DEPOSITS:

During the year, company has not accepted or renewed any deposits from the public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under hence information regarding outstanding deposits is not required. Further there were no unclaimed or unpaid deposits as on March 31st, 2018.

PARTICULARS OF EMPLOYEES:

The information pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the company as no employee is in receipt of remuneration exceeding the limits prescribed.

SHARE CAPITAL

a) **Issue of equity shares**
The Company has not issued shares during the year ranking pari passu with the existing equity shares.

b) **Issue of sweat equity shares**
The Company has not issued any sweat equity shares during the year

c) **Issue of employee stock options**
The Company has not issued employee stock options during the year.

d) **Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**
The Company has not made any provision for purchase of its own shares during the year.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under section 134(3)(c) of the Companies Act, 2013, directors of the company hereby state -

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

b) That proper accounting policies have been selected and applied consistently; and, the judgments and estimates that are made are reasonable and prudent so as give a true and fair view of the state of affairs of the company as on 31st March, 2018 and of the loss of the company for that period.

c) That proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the Companies Act, 2013, for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.

d) That the annual accounts have been prepared on a going concern basis.

e) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITOR'S REPORT:

The audit report along with note as specified by the auditors is self explanatory.

AUDITORS:

Pursuant to provision of Companies Act 2013 and rules framed there under M/s Taunk & Srikanth, Chartered Accountants, Bhilai, (Firm Registration No. 001524C) has been appointed by the members of the company as statutory auditors of the company. Ratification of their appointment is being sought from the members of the company at the ensuing Annual General Meeting.

The company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made would be within the limits prescribed.

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

The Company has zero tolerance for sexual harassment at workplace and the board has duly taken care on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and they responsible to inquire into complaints (if any) of sexual harassment and take appropriate action. There aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

COMPANY RELATIONS:

The company has maintained good industrial relations on all fronts. Your directors wish to place on record their appreciation for the honest and efficient services rendered by the employees of the company.

ACKNOWLEDGEMENTS:

Your directors wish to place on record their appreciation for the invaluable support and co-operation received from the auditors, bankers, customers, various government organizations, shareholders and staff of the company.

ON BEHALF OF THE BOARD
For, **VISHVA-VISHAL ENGINEERING LTD**

(Director)
Ashish Jain
DIN-00207048

(Director)
Arvind Kumar Jain
DIN- 00207106

Date: Bhilai
Place: August 06th, 2018

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS	
(i) CIN:	L28920MH1985PLC035656
(ii) Registration Date:	18/03/1985
(iii) Name of the Company:	Vishva-Vishal Engineering Ltd
(iv) Category/Sub-Category of the Company	Limited by Shares
(v) Address of the registered office and contact details	31, 3rd Floor, Maker Chamber III, Nariman Point, Mumbai City MH 400021 E-mail: compliance@becgroup.co.in
(vi) Whether listed company:	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Private Limited Regd. Off.: Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai, (MH) 400072 E-Mail: sharexindia@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated:-			
S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the
1.	Manufacturing of Refractory Items	3202	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Name and address of the company	CIN/GLN	Holding / subsidiary/ Associate	% of shares held as on 31st Mar'18	Applicable Section
N. A.				

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	0.00
b) Central Govt	-	-	-	-	-	-	-	-	0.00
c) State Govt (s)	-	-	-	-	-	-	-	-	0.00
d) Bodies Corporate	-	2208320	2208320	88.33%	-	2208320	2208320	88.33%	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	0.00
f) Any Other ...	-	291680	291680	11.67%	-	291680	291680	11.67%	0.00
Sub-total (A) (1)	-	**2500000**	**2500000**	**100.00**	-	**2500000**	**2500000**	**100.00**	**0.00**

2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	-	**2500000**	**2500000**	**100.00**	-	**2500000**	**2500000**	**100.00**	**0.00**
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
2) Non Institutions									
a) Bodies corporates									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii. Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	-	**2500000**	**2500000**	**100.00**	-	**2500000**	**2500000**	**100.00**	**0.00**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1.	Mewar Fibre Holdings Limited	249125	9.97%	-	249125	9.97%	-	0.00
2.	Cooltex Holdings Limited	98450	3.94%	-	98450	3.94%	-	0.00
3.	Novel Projects Limited	196250	7.85%	-	196250	7.85%	-	0.00
4.	Bhilai Investments Limited	89375	3.58%	-	89375	3.58%	-	0.00
5.	Sudha Investments Limited	135500	5.42%	-	135500	5.42%	-	0.00
6.	Beco Agriculture & Industries Private	147000	5.88%	-	147000	5.88%	-	0.00
7.	Shri B.R. Jain (Trustee) on behalf of J.P. Jain	291680	11.67%	-	291680	11.67%	-	0.00
8.	Bhilai Management Services Private	105000	4.20%	-	105000	4.20%	-	0.00
9.	BEC Impex International Pvt. Ltd.	557750	22.31%	-	557750	22.31%	-	0.00
10.	Kirtimoya Capital Limited	110870	4.43%	-	110870	4.43%	-	0.00
11.	Surge Services Private Limited	147000	5.88%	-	147000	5.88%	-	0.00
12.	Ashish Industrial & Commercial	186000	7.44%	-	186000	7.44%	-	0.00
13.	Balka Services Private Limited	186000	7.44%	-	186000	7.44%	-	0.00

(iii) Change in Promoters' Shareholding

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	NIL				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	NIL				

(v) Shareholding of Directors' & Key Managerial Personnel

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
NIL					

(vi) **INDEBTEDNESS**

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

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtness at the beginning of the financial year				
Principal Amount	6,36,39,086.00	0.00	0.00	6,36,39,086.00
Interest due but not paid	0.00	0.00	0.00	0.00
Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**6,36,39,086.00**	**0.00**	**0.00**	**6,36,39,086.00**
Change in Indebtedness during the financial year				
Additions	0.00	0.00	0.00	0.00
Reduction	4,43,67,552.00	0.00	0.00	4,43,67,552.00
Net Change	**(4,43,67,552.00)**	**0.00**	**0.00**	**(4,43,67,552.00)**
Indebtedness at the end of the financial year				
Principal Amount	2,52,71,534.00	0.00	0.00	2,52,71,534.00
Interest due but not paid	0.00	0.00	0.00	0.00
Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**2,52,71,534.00**	0.00	0.00	**2,52,71,534.00**

(vii) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole time director and/or Manager: **NIL**
B. Remuneration to other directors: **NIL**
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD: **NIL**

(viii) Penalties/Punishment/Compounding of Offences: **NIL**

ON BEHALF OF THE BOARD
For, **VISHVA-VISHAL ENGINEERING LTD**

(Director)
Ashish Jain
DIN-00207048

(Director)
Arvind Kumar Jain
DIN- 00207106

Date: Bhilai
Place: August 06th, 2018

VISHVA-VISHAL ENGINEERING LTD

Registered Office: 31, 3rd Floor, Maker Chamber III, Nariman Point, Mumbai MH 400021
(CIN- L28920MH1985PLC035656)

ANNEXURE "B" to directors' report

FORM –A

A. CONSERVATION OF ENERGY

The company is making all efforts to minimize the energy consumption. Details of total energy consumption and energy consumption per unit of production as per are given hereunder:-

1) Power & Fuel Consumption **(Rs. In Lacs)**

1	**Electricity**	**31.03.2018**	**31.03.2017**
a	Purchased		
	Unit	14.60	15.00
	Total Amount (In Rs.)	124.17	125.40
	Rate/Unit (In Rs.)	8.5	8.36
b	Own Generation	0.14	0.17
	i. Through diesel generation unit	NIL	NIL
	ii. Through steam turbine / generators units	NIL	NIL
2	**Coal**		
	Qty. (In Metric tons)	NIL	NIL
	Total Cost (In Rs.)	NIL	NIL
	Average Rate (In Rs.)	NIL	NIL
3	**Furnace Oil**		
	Qty. (Liters)	NIL	NIL
	Total Cost	NIL	NIL
	Average Rate	NIL	NIL
4	**Other / Internal generation (Please give details)**		
	Qty.	NIL	NIL
	Total Cost	NIL	NIL
	Rate / Unit	NIL	NIL

2) Consumption per unit of production.

	Standard (If any)	Current Year
Product (with) detail unit	NIL	NIL
Electricity	NIL	NIL
Furnace Oil	NIL	NIL
Coal (Specify quality)	NIL	NIL
Other (Specify)	NIL	NIL

B. TECHNOLOGY ABSORPTION

i.	Efforts made in brief towards technology absorption, adaption and innovation	Research and development activities are carried out for improvement in the production process, quality of sponge iron and better productivity.

ii.	Benefits derived as result of above efforts. eg: product development etc.	Cost reduction and quality improvement.
iii.	In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year) Following information may be furnished: (a) Technology imported (b) Year of import (c) Technology has been fully absorbed (d) If not absorbed areas where this has not taken place reasons thereof and future.	NOT APPLICABLE

C. FOREIGN EXCHANGE EARNING AND OUTGO

i.	C.I.F. Value of Import	Rs.584.48 Lacs
ii.	Expenditure in foreign exchange	NIL
iii.	Earning in foreign exchange	Rs.320.69 Lacs
iv.	Remittance in foreign currency for dividend	NIL

ON BEHALF OF THE BOARD
For, **VISHVA-VISHAL ENGINEERING LTD**

(Director)
Ashish Jain
DIN-00207048

(Director)
Arvind Kumar Jain
DIN- 00207106

Date: Bhilai
Place: August 06, 2018

G SONI & ASSOCIATES
(Company Secretaries)

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 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,
VISHVA-VISHAL ENGINEERING LTD
Registered Office: 31, 3rd Floor,
Maker Chamber III, Nariman Point, Mumbai MH 400021
(CIN- L28920MH1985PLC035656)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vishva-Vishal Engineering Ltd** (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 our opinion thereon.

Based on our verification of the Company'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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018** 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. We have examined the books, papers, minute books, forms and returns and other records maintained by company for the financial year ended on 31st March, 2018 according to the provisions of:

   (i) The Companies Act, 2013 &1956(the Act) and the rules made there under;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed 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 to the extent applicable

   (v) The Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the company during the financial year under report:

G SONI & ASSOCIATES * RAIPUR * COMPANY SECRETARIES

Address : FF-47, First Floor, Shaurya Arcade, Samvet Shikhar, Rajbandha Maidan, Raipur (C.G.) 492001
Ph. : +91 771 4916556, Mob. : 9993685410, E-mail: ghns21@gmail.com, ghanshyam_soni@yahoo.com

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

(b) The Securities and Exchange Board of India (Prohibition of insider Trading) Regulation, 2015;

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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guideline, 1999;

(e) The Securities and exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies Act and dealing with Client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

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

Since management has already applied for delisting of shares, company has not complied with various provisions of the Acts specified in point II to IV.

2. We have relied on the representation made by the Company and its Officers for compliance under other laws generally applicable to the Company and therefore, we have not covered any matter related to any other law which may be applicable to the Company.

3. We have also examined compliance with the applicable clauses of the following;

   (a) Secretarial Standards issued by The Institute of Company Secretaries of India, and

   (b) The Listing Agreements entered into by the Company with Stock Exchange. Company has only paid listing fees and other provisions are not complied with.

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

5. I further report that

   (i) The Board of Directors of the Company is not constituted with proper balance of executive Directors, Non-Executive Directors and Independent Directors as per listing agreement.

   (ii) Adequate notice were given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent in advance and further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

G SONI & ASSOCIATES * RAIPUR * COMPANY SECRETARIES

(iii) All the decisions at the Board Meetings and Committee Meetings, as represented by the management, were taken unanimously.

6. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, such as laws related to taxation, local laws applicable to the area of operation of business and other laws generally applicable to the Company.

7. This report is to be read with my letter of even date which is annexed and forms an integral part of this report.

For, **G SONI & ASSOCIATES**
(Company Secretaries)

Ghanshyam Soni
(Proprietor)
M. No. ACS 37098
C. P. No. 17876

Date: July 30th, 2018
Place: Raipur

TAUNK & SRIKANTH
CHARTERED ACCOUNTANTS

11, COMMERCIAL COMPLEX,
NEHRU NAGAR (EAST),
BHILAI - 490 020
Ph. : 0788-2293298, 2293479
E-mail : nk_taunk@dataone.in
taunk.srikanth@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of Vishva Vishal Engineering Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Vishva Vishal Engineering Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow 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 read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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.

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 and the Order issued under Section 143(ii) of the Act.

We conducted our audit of 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 controls relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India including the Ind AS, of the financial position

Scanned by CamScanner

of the Company as at 31st 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 Section 143(3) of the Act, based on our audit we report to the extent applicable, that

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

   (b) In our opinion proper books of account as required by law have been kept by the Company's so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Cash Flow and 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 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i) the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 27 to the Ind AS financial statements;

      ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii) there is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in Annexure "B" a statement on the matters specified in the paragraph 3 and 4 of the order.

For M/s Taunk & Srikanth.
(Chartered Accountants)
(FRN – 001524C)

N.K Taunk
Partner
M.No 30421

Place :Bhilai
Dated : 06th Aug, 2018

Scanned by CamScanner

Annexure – "A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) 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 **Vishva Vishal Engineering Limited** ('the Company') as of 31 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 safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

Auditors' Responsibility

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

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

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For M/s Taunk & Srikanth.
(Chartered Accountants)
(FRN – 001524C)

N.K Taunk
Partner
M.No 30421

TAUNK & SRIKANTH
Chartered Accountants

Place: Bhilai,
Date: 15th Aug, 2018

Scanned by CamScanner

Annexure "B" 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.

i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, all major assets except certain low value items viz furniture & fixtures and office equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were notice.

c) The title deeds of immovable properties, as disclosed in Note 4 & 5 to the financial statements, are held in the name of the Company.

ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

iii) The company has not granted any secured or unsecured loan to the companies, firms, limited liability partnership firms or other parties covered in the register maintained under section 189 of the companies Act, 2013, therefore, the provisions of clause 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

iv) In our opinion and according to the information & explanations given to us, the Company has compiled with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.

v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public, in terms of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed thereunder; Accordingly, paragraph 3(v) of the Order is not applicable to the company.

vi) To the best of our knowledge and as explained to us the Central Government has not specified the maintenance of cost records under section 148(i) of the I.T Act for the products of the company

vii) a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, goods & services tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though delays have been observed in some cases.

b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are as follows:-

Scanned by CamScanner

S.No	Name of Statute	Nature of Dues	Forum where dispute is pending	Period	Rs. in lakh
1	Central Excise Act	Excise Duty	Commissioner –Appeal, Raipur	2013-14 2014-15	1.58
2	Central Sales Tax Act	Central Sales Tax	Addl. Commissioner Raipur	2012-13	56.07
3	Central Sales Tax	Central Sales Tax	Addl. Commissioner Raipur	2013-14	31.73
4	Employees' State Insurance Act 1948	E.S.I	Hon.High Court, Chhattisgarh	01.04.91 to 31.03.1998	36.81
5	Income Tax Act	Income Tax	CIT(A)-Mumbai	AY 2013-14	5.52

viii) Based on our audit procedures, and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. The Company does not have any outstanding debentures during the year.

ix) During the year the Company has not raised any money by way of issue of equity shares, debt investments and term loans. Accordingly, the reporting under clause 3(ix) of the order is not applicable.

x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, reporting under clause 3(x) of the Order, is not applicable..

xi) The Company has not paid or provided for managerial remuneration during the year and hence reporting about the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013 is not applicable to the company.

xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the reporting under clause 3(xii) of the Order is not applicable to the company.

xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv) During the year the company has not made any preferential allotment private placement of shares and hence reporting under clause (xiv) of the order is not applicable to the company.

xv) The Company has not entered into any non-cash transactions as referred in Section 192 of the Act with its directors or persons connected with them. Therefore, the reporting under clause 3(xv) of the Order is not applicable.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. Taunk & Srikanth.
Chartered Accountants
(FRN – 001524C)

N.K Taunk
Partner
M.No: 30421

Place: Bhilai,
Date: 06th Aug, 2018

Scanned by CamScanner

VISHVA VISHAL ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2018

(Rs in Lakhs)

PARTICULARS	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
1) Non-Current Assets				
a) Property , Plant and Equipment	4	1,024.65	1,121.65	1,076.82
b) Capital Work-in-Progress		-	28.64	133.04
c) Financial assets				
(i) Investments	5	778.02	560.60	401.21
d) Other non-current assets				
(i) Other Current Assets	6	151.30	159.29	140.70
(ii) Trade Receivables	8	431.08	161.94	64.04
2) Current Assets				
a) Inventories	7	1,138.27	904.60	950.16
b) Financial Assets				
(i) Trade Receivables	8	3,511.90	4,057.44	3,293.89
(ii) Bank, Cash and Cash Equivalents	9	50.38	48.56	24.63
c) Other current assets	6	492.99	343.61	425.66
Total Assets		**7,578.59**	**7,386.33**	**6,510.15**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	10	250.00	250.00	250.00
b) Other Equity		5,045.66	4,771.93	4,349.60
Liability				
1) Non-Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	11	133.13	189.23	193.61
b) Deferred tax Liabilities	12	135.98	145.65	69.41
2) Current Liabilities				
a) Finalcial Liabilities				
(i) Borrowings	13	119.59	447.16	684.71
(ii) Trade Payables	14	793.35	789.29	565.58
(iii) Other Financial Liabilities	15	515.32	745.74	347.34
b) Other Current Liabilities	16	565.03	29.62	28.85
c) Provisions	17	20.53	17.71	21.05
d) Current Tax Liabilties (net)				
Total Equity and Liablities		**7,578.59**	**7,386.33**	**6,510.15**
Summary of Significant Accounting Policies	2			
First time adoption of Ind AS	3			

The Accompanying notes are integral part of the financial statemetns
As per our report of even date

For, M/s Taunk & Srikanth
Chartered Accountants
(FRN - 001524C)

N.K.Taunk
Partner
M.No. 3042
Place : B
Date : 6th Aug, 2018

TAUNK & SRIKANTH Chartered Accountants

For and on behalf of the board

Directors

Scanned by CamScanner

VISHVA VISHAL ENGINEERING LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs in Lakhs)

PARTICULARS	Note No	As at 31.03.2018	As at 31.03.2017
Revenue from Operations (Gross)	18	7,335.39	7,540.82
Other Income	19	263.63	227.92
Total Revenue (I)		**7,599.02**	**7,768.74**
EXPENDITURE :			
Cost of raw Material and component Consumed	20	4,229.40	4,701.27
Increase /Decrease in Inventories of Finished goods work-in-progress and traded goods	21	6.93	(79.46)
Excise duty/GST on Sales		1,082.87	809.67
Employee Benefits Expense	22	660.90	626.83
Finance Costs	23	71.88	84.08
Depreciation Charges	24	179.74	190.62
Other Expenses	25	969.23	905.40
Total Expenditure (II)		**7,200.95**	**7,238.41**
Profit Before Tax		398.07	530.33
Tax Expenses			
- Current Tax		156.00	176.00
- Deferred Tax		(12.96)	20.86
- Prior Period Expenses		4.55	-
Total tax Expenses		**147.59**	**196.86**
Profit for the year from contining operations		**250.48**	**333.47**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Fair valuation of investments , net of taxes		6.61	114.37
Total Comprehensive Income for the period Comprising Profit /Loss and Other Comprehensive Income for the period		257.09	447.84
Earning per Equity Share of F.V. of Rs. 10 each	26	10.02	13.34
Basic and Diluted (in Rupees)		10.02	13.34
Summary of Significant Accounting Policies	2		
First time adoption of Ind AS	3		

The Accompanying notes are integral part of the financial statemetns
As per our report of even date

For, M/s Taunk & Srikanth
Chartered Accountants
(FRN - 001524C)

For and on behalf of the board

Directors

N.K.Taunk
Partner
M.No. 30[illegible]
Place : Chennai
Date : 06th Aug, 2018

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

VISHVA VISHAL ENGINEERING LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Rs in Lakhs)

	PARTICULARS	Year Ended 31 March 2018	Year Ended 31 March 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax	398.07	530.33
	Depreciation	179.74	190.62
	Interest Paid	54.48	72.98
	(Profit)/Loss on sale of fixed assets	(0.90)	-
	Interest Income	(10.82)	(11.28)
	Dividend Income	(189.17)	(163.53)
	Profit on Sale of Investment	(6.50)	(2.56)
	Rental Income	(56.25)	(50.54)
	Operating Profit before working capital changes	**368.65**	**566.02**
	Adjustments for :		
	Short Term Loans & Advances	(148.10)	85.47
	Trade and Other Receivables	420.24	(763.55)
	Long Term Trade Receivables	(143.84)	(97.90)
	Prior Period Expenses	(4.55)	-
	Inventories	(233.68)	45.56
	Long Term Loans & advances	13.71	(18.59)
	Trade Payable	4.06	223.71
	Current Liabilities	305.00	399.17
	Other Current Assets	(1.29)	(3.42)
	Cash Generated From Operations	580.20	436.47
	Direct Taxes (Paid)	(142.10)	(204.86)
	Cash flow from Operating Activities (A)	**438.10**	**231.61**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	(54.33)	(128.78)
	Sale of Fixed Assets/Investment	1.12	30.71
	Investment In Share / MF etc.	(201.01)	(20.05)
	Dividend Income	189.17	163.53
	Rental Income	56.25	50.54
	Net Cash Used in Investing Activities (B)	**(8.80)**	**95.95**
C.	**CASH FLOW FROM FINANCE ACTIVITES**		
	Proceeds from Long Term Borrowings	(56.10)	(4.38)
	Bank Borrowings	(327.57)	(237.55)
	Interest Received	10.82	11.28
	Interest Paid	(54.48)	(72.98)
	Net Cash Used in Finance Activities (C)	**(427.33)**	**(303.63)**
	Net Increase/(Decrease) in Cash & Cash Equivalents (A)(B)(C)	1.97	23.93
	Cash and Cash Equivalents (Opening Balance)	**48.56**	**24.63**
	Cash and Cash Equivalents (Closing Balance)	**50.53**	**48.56**

Note: Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standards (AS-3) "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rule 2006.

In terms of our report of even date.

For M/s Taunk & Srikanth
Chartered Accountants
(FRN - 001524C)

(N. K. Taunk)
Partner
M.No. 30[illegible]
Place : Bhilai
Dated : 06th Aug' 2018

TAUNK & SRIKANTH Chartered Accountants

For & on behalf of the Board

(Directors)

Scanned by CamScanner

Statement of Changes in Equity for the year ended 31.03.2017

Equity Share Capital

(Rs. In Lakhs)

Balance as at 01.04.2016	Change in the equity share capital during the year	Balance as at 31.03.2017
250.00	-	250.00

Other Equity

	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	Other items of Other Comprehenseive Income (Gain/loss on employee benefit) (Net of Tax)	Total
Balance as at 01.04.2016	**4,200.00**	**149.60**			**4,349.60**
Debt Instruments	-	-	-	-	-
Equity Instruments through other Comprehensive Income (Net of Tax)	-	-	112.11	-	112.11
Profit for the year	-	333.47	-	-	333.47
Expenses of Earlier Year	-	(25.51)	-	-	(25.51)
Reversal of depreciation of leased land	-	2.26	-	-	2.26
Transfer from retained earnings	300.00	(300.00)	-	-	-
Balance as at 31.03.2017	**4,500.00**	**159.82**	**112.11**	**-**	**4,771.93**

As per our report of even date

For, M/s Taunk & Srikanth
Chartered Accountants
(FRN - 001524C)

N.K.Taunk
Partner
M.No. 80121
Place : Bhilai
Date : 06th Aug, 2018

TAUNK & SRIKANTH Chartered Accountants

For and on behalf of the board

Directors

Scanned by CamScanner

Statement of Changes in Equity for the year ended 31.03.2017

Equity Share Capital (Rs. In Lakhs)

Balance as at 01.04.2016	Change in the equity share capital during the year	Balance as at 31.03.2017
250.00	-	250.00

Other Equity

	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	Other Items of Other Comprehenseive Income (Gain/loss on employee benefit) (Net of Tax)	Total
Balance as at 01.04.2016	**4,200.00**	**149.60**			**4,349.60**
Debt Instruments	-	-	-	-	-
Equity Instruments through other Comprehensive Income (Net of Tax)	-	-	112.11	-	112.11
Profit for the year	-	333.47	-	-	333.47
Expenses of Earlier Year	-	(25.51)	-	-	(25.51)
Reversal of depreciation of leased land	-	2.26	-	-	2.26
Transfer from retained earnings	300.00	(300.00)	-	-	-
Balance as at 31.03.2017	**4,500.00**	**159.82**	**112.11**	**-**	**4,771.93**

As per our report of even date

For, M/s Taunk & Srikanth
Chartered Accountants
(FRN - 001524C)

N.K.Taunk
Partner
M.No. 30[illegible]
Place Chennai
Date 06th Aug, 2018

For and on behalf of the board

Directors

Scanned by CamScanner

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. CORPORATE INFORMATION

Vishva Vishal Engineering Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. It's shares are listed on Bombay Stock Exchange in India. However, the company is in the process of delisting of its shares. The company is mainly engaged in manufacturing of refractory items for different industries.

The company's registered office is at 31, Maker Chambers III, 3rd Floor, Nariman Point, Mumbai – 400 021 and works at 4/5, Industrial Estate, Bhilai 490 026 (C.G)

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND PRESENTATION

i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2016

ii) For all periods upto and including the year ended 31st March 2017, the company has prepared its financial statements in accordance with accounting standards notified as Companies (Accounting Standards) Rules,2006 and considered as "Previous GAAP".

iii) These financial statements for the year ended 31st March,2018 are the Company's first Ind AS financial statements. The financial statements of the company for the preceding year 2016-17 have been restated w.e.f Ist April 2016 being the earliest period presented.

iv) The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value and

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

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions.

i) The asset/liability is expected to be realized /settled in the company's normal operating cycle,
ii) The asset is intended for sale or consumption;
iii) The asset/liability is held primarily for the purpose of business activities.
iv) The asset/liability is expected to be realized /settled within twelve months after the reporting period;
v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.
vi) In the case of a liability, the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date

All other liabilities are classified as non-current.

For the purpose of current /non-current classification of assets and liabilities, the company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and its realization in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

b) Fair Value Measurement

Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is considered as fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements have been categorized within the fair value hierarchy. This categorization is based on the lowest level input that is significant to the fair value measurement as a whole:

- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

c) Property, Plant and Equipment (PPE)

i) The company has elected to avail the exemption granted by Ind AS 101 'First Time Adoption of the Indian Accounting Standards' to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (i.e. as on April 1, 2016).

ii) An item of PPE is recognized as an asset if 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.

iii) The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iv) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

v) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

vi) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. Cost in nature of repairs and maintenance are recognized in the statement of Profit & Loss as and when incurred.

vii) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

viii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit and Loss.

d) Capital Work in Progress and Capital Advance

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other Non-Current Assets.

e) Intangible Assets

i) The company has elected to avail the exemption granted by Ind AS 101 'First Time Adoption of the Indian Accounting Standards' to continue with the carrying value for all of its Intangible Assets 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 (i.e. as on April 1, 2016).

ii) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

iii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

iv) An item of Intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

f) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leased assets

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset except leasehold land is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

g) **Revenue recognition**

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discount and volume rebates allowed by the company.

Revenue includes only the gross inflows of revenue benefits received and receivable by the company pertaining to its own account. Amounts collected on behalf of third party such as sales tax, value added tax and goods and service tax are excluded from revenue.

i) **Sale of Products**:

Revenue from sale of products is recognized when the company transfers all significant risk and rewards of ownership to the buyer and the company retains neither managerial involvement nor effective control over the products sold.

ii) **Rendering of services**

Revenue from services is recognized when the Stage of completion can be measured reliably and billed.

iii) **Interest and dividends:**

Interest income is recognized on accrual method and dividend income is recognized when the right to receive payment is established

h) **Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets**

i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:

assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

ii) The estimated useful life of items of property plant and equipment is mentioned below:-

	Years
Factory Building	30
Building (other than factory building)	60
Plant & Equipment (including continuous process plants)	10-20
Scientific research equipment	8
Furniture & Fixtures	8
Office Equipment and Vehicles	5
Information Technology Hardware	4

iii) Land whether leasehold or freehold land is not depreciated.

vii) Other Intangible assets are amortized over technically useful life of the assets.

i) **Inventories :**

i) Raw Materials, Stores & Spares, valued at cost (net of taxes and duties subsequently recoverable from tax authorities) or the net realizable value whichever is lower.

ii) Finished and semi-finished Goods are valued at cost (net of taxes and duties subsequently recoverable from tax authorities) taking into consideration direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition or the net realizable value whichever is lower.

Scanned by CamScanner

iii) The cost is determined using weighted average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

j) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Income Taxes

Income tax expense represents the sum of current and deferred tax.

i) **Current tax**

Current tax is the amount of income tax payable in respect of taxable profit for a period. Taxable profit differs from "profit before tax" as reported in the Statement of Profit and loss because of items of income or expense that are taxable or deductible in other years and items that are exempt or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted for the reporting period.

ii) **Deferred tax**

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

Deferred tax liabilities and assets are measured at the tax rates that have been enacted and are applicable to taxable income in the year in which those temporary differences arise.

l) Foreign Currency Transactions

i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

ii) Exchange differences arising on translation or settlement of monetary items are recognized as income or expenses in the period in which they arise in the Statement of Profit and loss.

m) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Contributory Pension Fund & ESIC. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Scanned by CamScanner

Defined Benefits Plans

The company makes no provision for liability of gratuity. The company recognizes the liability of gratuity as per payment of Gratuity Act 1972 and charged to statement of Profit & Loss on cash basis.

As per company's policy employees have to avail eligible leave. Encashment of leave is allowed only in case of superannuation or at the time of leaving the employment. Expenses on leave encashment, bonus and leave travel allowance are charged to statement of profit & Loss on cash basis.

n) Provisions and Contingencies

The company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

o) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

p) Financial Instruments

i) <u>Financial Assets</u>

A Initial recognition and measurement

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

B Subsequent measurement

<u>Financial assets carried at amortised cost</u>

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

C. Equity Investments

All equity investments are measured at fair value through Other Comprehensive Income with change in value recognized therein.

D. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

ii) Financial Liabilities

A. Initial recognition and measurement

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

B. Subsequent measurement

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

q) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding at the year end. The weighted average number of equity shares outstanding at the year end are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding at the year end are adjusted for the effects of all dilutive potential equity shares.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

r) **Statement of Cash Flows**

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash and cheques in hand, deposits with banks. However for Balance Sheet presentation, Bank overdrafts are classified as borrowings in current liabilities.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

As per company's policy in respect of over due trade receivable no provision is made. However trade receivable above the age of 3 years are written off and charged to statement of Profit & Loss.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

e) **Measurement of defined benefit obligations**

The measurement of defined benefit and other post-employment benefits obligations are determined on actual basis and no provision is made.

2.4 First Time adoption of Ind AS

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

a) Exemptions from retrospective application

i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

ii) Deemed cost for investment properties

The Company has elected to measure all its investment properties at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

b) Transition to Ind AS - Reconciliations

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

i) Reconciliation of Equity as at 1st April, 2016 and 31st March, 2017. Refer Note-3.1.

ii) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017. Refer Note-3.2.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

3.1 RECONCILIATIONS

The following reconcilations provides the effect of transition to Ind As from IGAAP in accordance with Ind AS 101
1. Equity as at April 1, 2016 and March 31,2017
2. Net Profit for the year ended March 31, 2017.

RECONCILIATION OF EQUITY AS PREVIOUSLY REPORTED UNDER IGAAP TO Ind AS (Rs in Lakhs)

Particulars	Note	Opening Balance Sheet as at April 1,2016			Balance Sheet as at March 31, 2017		
		Previous IGGAP	Effects of transition to Ind-AS	Ind As	Previous IGGAP	Effects of transition to ind-AS	Ind As
ASSETS							
Non-Current assets							
Property, Plant and equipment	A	1,076.82	-	1,076.82	1,119.39	2.26	1,121.65
Capital work-in-progress		133.04	-	133.04	28.64	-	28.64
Investment properties	A			-			-
Other Intangible Assets				-			-
Financial Assets				-			-
(i) Investments	B	401.21	-	401.21	393.11	167.49	560.60
(ii) Other Financial Assets				-			-
Non-Current Tax assets				-			-
Other non-current assets	C	140.70	-	140.70	159.29	-	159.29
Total non-current assets	-	1,751.77	-	1,751.77	1,700.43	169.75	1,870.18
Current assets							
Inventories	D	950.16	-	950.16	904.60	-	904.60
Financial assets:				-			-
(i) Trade receivable	E	3,357.93	-	3,357.93	4,219.38	-	4,219.38
(ii) Bank, Cash and cash equivalents		8.00	-	8.00	6.93	-	6.93
(iii) Bank Balances other than (ii) above		16.63	-	16.63	41.63	-	41.63
Other Current assets	F	425.66	-	425.66	343.61	-	343.61
Total non-current assets	-	4,758.38	-	4,758.38	5,516.15	-	5,516.15
Total assets	-	6,510.15	-	6,510.15	7,216.58	169.75	7,386.33
EQUITY AND LIABILITIES							
Equity							
Equity share capital		250.00	-	250.00	250.00		250.00
Other equity	G	4,349.60	-	4,349.60	4,657.56	114.37	4,771.93
Total equity	-	4,599.60	-	4,599.60	4,907.56	114.37	5,021.93
Non-current liabilities							
Financial Liabilities							
(i) Borrowings	H	193.61	-	193.61	189.23	-	189.23
Provisions	I	-		-	-	-	-
Deferred tax Liabilities (Net)	J	69.41	-	69.41	90.27	55.38	145.65
Other non-current liabilities							
Total equity	-	263.02	-	263.02	279.50	55.38	334.88

(Rs in Lakhs)

Particulars	Note	Opening Balance Sheet as at April 01, 2016			Balance Sheet as at March 31, 2017		
		Previous IGGAP	Effects of transition to ind-AS	Ind As	Previous IGGAP	Effects of transition to ind-AS	Ind As
Current Liabilities							
Financial Liabilities							
(i) Borrowings		684.71	-	684.71	447.16	-	447.16
(ii) Trade Payable		565.58	-	565.58	789.29	-	789.29
(iii) Other financial Liabilities		347.34	-	347.34	745.74	-	745.74
Other current liabilities							
Provisions		28.85	-	28.85	29.62	-	29.62
Current tax liabilities (Net)		21.05	-	21.05	17.71	-	17.71
Total current liabilities		1,647.53	-	1,647.53	2,029.52	-	2,029.52
Total equity and liabilities		6,510.15	-	6,510.15	7,216.58	169.75	7,386.33

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS.

A) Property, Plant & Equipment (PPE) :
As per Ind AS 16, PPE are defined as tangible items that are held for use in the production and supply of goods, for rental to others or for administrative purposes and are expected to be used for years.

B) Investment
Under Ind AS, financial assets representing investments in equity shares, debt instruments have been fair valued. The company has designated such investments as " Fair value through other comprehensive income (FVTOCI) investments. On the date of transition to Ind As, difference between the fair value and Indian GAAP carrying amount has been recognized as a separate component of equity in the reserve net of related taxes for investments measured at FVTOCI.

C) Inventory
The company has considered the valuation of carrying cost of inventory under Indian GAAP on the date of transition as the valuation under Ind AS.

D) Trade Receivables
The company has considered the value of trade receivables under IGAAP on the date of transition as the value under Ind AS.

E) Other Current Assets
The company has considered the values of other current assets under IGAAP on the date of transition as the values under Ind AS.

F) Other Equity
(a) Adjustments to retained earnings and other comprehensive income (OCI) have been made in accordance with Ind AS for the above mentioned items.
(b) The company is in the process of getting the valuation of actuarial gains and losses as per Ind AS19 and the effect thereof shall be recognized in Profit & Loss once the actuarial valuation is done.

G) Borrowing :
The company has considered the values of borrowings on the date of transition under Indian GAAP as the values under Ind AS.

H) Provisions :
The company has considered the values of provisions on the date of transition under Indian GAAP as the values under Ind AS. After actuarial valuation the company will adjust the negative past service cost on account of gratuity to retained earnings.

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

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

Scanned by CamScanner

3.2 RECONCILIATION OF STATEMENT OF PROFIT & LOSS AS PREVIOUSLY REPORTED UNDER IGAAP TO IND AS

(Rs in Lakhs)

	Particulars	Note	Year ended March 31,2017		
			Previous IGAAP	Effects of transition to Ind-AS	Ind As
I.	INCOME	A			
	Revenue from operations (Gross)		7,540.82	-	7,540.82
II.	Other Income		227.92	-	227.92
	Total Income (I+II)		**7,768.74**	**-**	**7,768.74**
III	EXPENDITURE				
	Cost of materials consumed		4,701.27	-	4,701.27
	Changes in inventories of finished goods, work-in-progress and stock-in-Trade	A	(79.46)	-	(79.46)
	Employee benefits expense	B	626.83	-	626.83
	Finance Costs	C	84.08	-	84.08
	Depreciation and amortization expense	D	190.62	-	190.62
	Excise duty on sales	A	809.67	-	809.67
	Other expenses	E	905.40	-	905.40
	Total expenses		7,238.41	-	7,238.41
IV	**Profit Before Tax**		**530.33**	**-**	**530.33**
V.	Tax expense:				
	(1) Current Tax	F	176.00	-	176.00
	(2) Deferred Tax	G	20.86	-	20.86
VI	**Profit for the period (IV-V)**		**333.47**	**-**	**333.47**
VII	Other comprehensive income for the year, net of Tax		-	114.37	114.37
VII	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR,NET OF TAX**	H	**333.47**	**114.37**	**447.84**

Explanations for reconciliation of statement of Profit & Loss as previously reported under IGAAP to Ind AS.

A) Depreciation : Under Indian GAAP in the past depreciation for some period was charged on leasehold industrial land.

On the date of transition to Ind.AS the depreciation so charged has been reversed and adjusted to retained earning.

B) Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Statement of Profit and Loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair valuation of investments. The concept of other comprehensive income did not exist under previous GAAP.

C) Current tax

Tax related to earlier year has been considered as prior period adjustment and shown as appropriation with the balances in the Statement of Profit or Loss in Indian GAAP. Under Ind AS 12, the tax related to earlier year is the part of current tax and the reconciliation of the same should be separately disclosed.

D) Deferred Tax

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

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

Rs in Lakhs

4 PROPERTY , PLANT AND EQUIPMENT										
PARTICULARS	**Free hold Land**	**Lease Hold Land**	**Factory Shed & Building**	**Office Building**	**Plant& Machinery**	**Computer**	**Furniture & Fixtures**	**Office equipments**	**Vehicle**	**Total**
Gross Block Carrying Value										
At 1st April 2016	4.04	42.88	365.07	214.36	1,727.31	173.99	78.39	176.81	127.38	**2,910.23**
Additions	-	-	5.42	-	218.61	2.24	1.40	5.52	-	**233.19**
Disposals	-	-	-	-	-	-	-	-	-	**-**
At 31st March 2017	**4.04**	**42.88**	**370.49**	**214.36**	**1,945.92**	**176.23**	**79.79**	**182.33**	**127.38**	**3,143.42**
Additions	-	-	2.79	-	78.52	0.93	-	-	0.73	**82.97**
Disposals	-	-	-	-	-	-	-	-	4.42	**4.42**
At 31st March 2018	**4.04**	**42.88**	**373.28**	**214.36**	**2,024.44**	**177.16**	**79.79**	**182.33**	**123.69**	**3,221.97**
Depreciation										
At 1st April 2016	-	2.26	211.73	93.25	1,031.00	161.74	61.92	161.39	110.10	**1,833.39**
Change for the year	-	-	16.69	5.98	149.81	4.74	5.07	4.77	3.57	**190.63**
Disposals/	-	-	-	-	-	-	-	-	-	**-**
Adjustment	-	2.26	-	-	-	-	-	-	-	**2.26**
At 31st March 2017	**-**	**-**	**228.42**	**99.23**	**1,180.81**	**166.48**	**66.99**	**166.16**	**113.67**	**2,021.76**
Change for the year	-	-	14.71	5.68	146.92	3.86	3.73	2.42	2.43	**179.75**
Disposals/	-	-	-	-	-	-	-	-	4.20	**4.20**
(Adjustment)	-	-	-	-	-	-	-	-	-	**-**
At 31st March 2018	**-**	**-**	**243.13**	**104.91**	**1,327.73**	**170.34**	**70.72**	**168.58**	**111.90**	**2,197.31**
Net Block										
At 1st April 2016	**4.04**	**40.62**	**153.34**	**121.11**	**696.30**	**12.25**	**16.47**	**15.41**	**17.28**	**1,076.82**
At 31st March 2017	**4.04**	**42.88**	**142.07**	**115.13**	**765.09**	**9.76**	**12.79**	**16.17**	**13.71**	**1,121.65**
At 31st March 2018	**4.04**	**42.88**	**130.15**	**109.45**	**696.70**	**6.82**	**9.07**	**13.75**	**11.79**	**1,024.65**

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

5 **INVESTMENT**

Rs in Lakhs

	Face value per unit in Rs	No of Shares/ unit as at 31.03.2018	As at 31.03.2018	As at 31.03.2017	As at 01.04,2016
Trade Investment					
Value at cost					
Non Trade Investments					
Carried at fair Value through OCI					
Investment in Equity Instruments, fully paid up (unquoted)					
200 Equity Shares of Rs.10/- each of BEC Strips Ltd.	10	200	0.20	0.20	0.20
200 Equity Shares of Rs.10/- each of Hosak Industiral & Plastic (P) Ltd.	10	30000	3.00	3.00	3.00
200 Equity Shares of Rs.10/- each of BEC Impex International (P) Ltd.	10	800000	10.00	10.00	10.00
Investment in J.V. UNISCO LLC OMAN		225000	331.93	331.93	331.93
Total Unquoted Shares			**345.13**	**345.13**	**345.13**
Value at FVTOCI			**507.18**	**505.30**	
Quoted	-	-	-	-	-
Other Long Term Investment					
SBI Long Term Advance Fund		42,400.000	4.24	4.24	4.24
SBI Magnum Global Fund		-	-	-	8.00
SBI Magnum Balance Fund		-	-	-	8.00
Reliance Equity Opportunities Fund		-	-	3.62	3.62
Adity Birla Sunlife Cash Manager Fund		480.595	2.00	-	5.16
Adity Birla Sunlife Balance'95 Fund - Growth		4,145.794	26.11	-	7.00
Adity Birla Sunlife Frontline Equity Fund - Growth		2,813.393	5.00	21.21	3.20
Adity Birla Sunlife MNC Fund - Growth		803.878	5.00	3.00	2.50
HDFC Balanced Fund DP - Growth		-	-	3.00	3.00
HDFC Mid-Cap Opportunities Fund - Growth		-	-	10.00	10.00
ICICI Prudential Liquied D.P. - Growth		47,574.302	117.08	-	
ICICI Prudential Equity Arbitrage Fund - DP		139,926.261	20.81	-	
Adity Birla Sunlife Enhanced Arbitrage Fund		47,536.258	5.17	-	
Adity Birla Sunlife Corp. Bond Fund - Gr. Regular		116,475.900	15.00	-	
Adity Birla Sunlife Top 100 Fund - Gr. - DP		18,014.524	10.13	-	
Adity Birla Sunlife Medium Term Plan Gr. R.P.		46,139.116	10.00	2.91	1.36
Reliance Arbitrage Advantage Fund - M.D.P.		43,627.187	4.64	-	
HDFC Arbitrage Fund W.P. - ND		74,314.693	8.02	-	
HDFC Capital Builder Value Fund RP-Gr		862.002	2.50	-	
HDFC Low Duration Fund DP RP		13,435.606	5.05	-	
HDFC Top 100 Fund		568.359	2.50	-	
HDFC Arbitrage Fund W.P. - MD		68,731.040	7.24	-	
HDFC Balanced Fund RP - Growth		3,395.641	5.00	-	
Total Mutual Fund			**255.49**	**47.98**	**56.08**
Value at FVTOCI			**270.84**	**55.30**	-
			600.62	**393.11**	**401.21**
Agregate amount of quoted investments and market value there of			-	-	-
Agregate amount of investments at cost			**600.62**	**393.11**	**401.21**
Agregate amount of investments at FVTOCI.			**778.02**	**560.60**	**401.21**

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

VISHVA VISHAL ENGINEERING LIMITED

6 OTHER ASSETS (UNSECURED, CONSIDERED GOOD)

(Rs in Lakhs)

Particulars	Non- Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance other than capital advance	20.96	22.40	27.18	-	-	-
Advance to vendors	-	-	-	474.84	305.03	378.27
Prepaid expenses	-	-	-	5.06	5.17	-
Balance with statutory /govt. authorities	73.29	67.57	67.57	-	21.61	39.01
Security deposit with govt. & other	57.05	69.33	45.95	13.09	11.80	8.38
TOTAL	151.30	159.29	140.70	492.99	343.61	425.66

7 INVENTORIES (Valued at lower of cost and net realisable value)

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw-materials, Components, Stores & Spares	691.22	450.62	575.64
Finished Goods	258.28	160.53	141.08
Semi Finished goods	188.77	293.45	233.44
	1,138.27	904.60	950.16

8 TRADE RECEIVABLE

(Rs in Lakhs)

Particulars	Non- Current			Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade Receivable						
- Outstanding more than one year	431.08	161.94	64.04	-	-	-
- Outstanding less than 6 months	-	-	-	3,258.58	3,832.12	3,046.31
- Outstanding more than 6 months but less than one year	-	-	-	253.32	225.32	247.58
	431.08	161.94	64.04	3,511.90	4,057.44	3,293.89

9 BANK, CASH AND CASH EQUIVALENTS

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash and Cash Equivalents						
Balance with banks						
- in current account	-	-	-	4.89	5.32	5.45
- cash on hand	-	-	-	1.86	1.61	2.55
				6.75	6.93	8.00
Other bank balances						
Deposit with original maturity for more than 12 months	-	-	-	43.63	41.63	16.63
Deposit with original maturity for more than 3 months but less than 12 months						
	-	-	-	43.63	41.63	16.63
	-	-	-	50.38	48.56	24.63

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

VISHVA VISHAL ENGINEERING LIMITED

10. EQUITY SHARE CAPITAL

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Authorised			
30,00,000 Equity shares of Rs. 10/- each	300.00	300.00	300.00
	300.00	300.00	300.00
Issued,Subscribed and paid-up			
25,00,000 Equity shares of Rs. 10/- each	250.00	250.00	250.00
	250.00	250.00	250.00

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

Particulars	As at 31.03.2018		As at 31.03.2017	
	No.	(Rs in Lakhs)	No.	(Rs in Lakhs)
At the beginning of the year	2,500,000	250.00	2,500,000	250.00
issued during the year	-	-	-	-
Outstanding at the end of the year	2,500,000	250.00	2,500,000	250.00

b. Terms/right attached to equity shares

The company has only one class of equity shares having face value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c. There is no holding/ultimte holding company of the company.

d. Shareholders holding more than 5% shares in the company

Particulars	As at 31.03.2018		As at 31.03.2017	
	No.	% of holding in the Class	No.	% of holding in the Class
Equity Shares of Rs 10/- each fully paid				
Balka Services Private Limited	186,000	7.44	186,000	7.44
Surge services Private Limited	147,000	5.88	147,000	5.88
BEC Impex International Private Limited	557,750	22.31	557,750	22.31
BECO Agriculture & Industries Private Limited	147,000	5.88	147,000	5.88
Mewar Fiber Holdings Limited	249,125	9.97	249,125	9.97
Novel Projects Limited	196,250	7.85	196,250	7.85
Sudha Investments Limited	135,500	5.42	135,500	5.42
Arkas Industries Private Limited (Formely known as Ashish Industrial & commercial Enterprises Private Limited)	186,000	7.44	186,000	7.44
Shri B.R. Jain (Tristee) J.P. Jain Trust	291,680	11.67	291,680	11.67

Scanned by CamScanner

Rs in Lakhs

	Particulars	Effective Interest Rate	Maturity	Non-current portion			Current Maturities		
				As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
11	**BORROWINGS**								
	Secured								
	Term Loan from Syndicate Bank	12.95%	Mar-20	133.13	189.23	193.61	73.20	66.57	53.88
	Working Capital Loan (repayable on demand)	12.70%	-	-	-		46.39	380.59	630.83
	Amount disclosed under the head "other current Liabilities" (refer note 13)			-	-	-	(119.59)	(447.16)	(684.71)
	Net Amount			**133.13**	**189.23**	**193.61**	-	-	-

1) Term Loans are secured by 1st Pari Passu charge by way of Equitable Mortgage of factory leasehold land located at Bhilai and Urla including hypothecation of Plant & Machineries and entire existing and proposed Fixed Assets of the company and 2nd Pari-passu charge on the entire Current Assets of the company by way of hypothecation/pledge.

2) Term Loan from Financial Institution are secured by hypothecation of the Plant & Machinery purchased by the company.

3) Term Loans have also been guaranteed by some of the Directors.

12 DEFERRED TAX (ASSETS)/ LIABILITIES

Rs in Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)			
Deferred tax (Assets)/ Liabilities			
Deferred tax Liabilities /(assets) at the beginning of the year	90.27	69.41	69.41
Deferred tax Liabilities /(assets) during the year on account of timing difference	(12.96)	20.86	-
	77.31	90.27	69.41
D.T.L. (OCI) - At the beginning of the year	55.38	-	-
I.Tax Provision (OCI)	3.29	55.38	-
DEFERRED TAX LIABILITIES/(ASSETS) AT THE END OF THE YEAR	**135.98**	**145.65**	**69.41**

13 BORROWINGS

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Cash Credit facility from Bank (secured)	-	-	-
Working Capital loan from Syndicate bank (secured)	46.39	380.59	630.83
Term Loan From Syndicate bank (secured)	73.20	66.57	53.88
Total	**119.59**	**447.16**	**684.71**

14 TRADE PAYABLE

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade payables (refer note 34 for details of dues for micro and small enterprises)	793.35	789.29	565.58
	793.35	**789.29**	**565.58**

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

15 OTHER FINANCIAL LIABILITIES

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Liabilties for expenses	515.32	745.74	347.34
	515.32	**745.74**	**347.34**

16 OTHER CURRENT LIABILITIES

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Other Payable			
Duties & Taxes Payable	36.35	6.57	5.29
TDS payable	1.87	2.45	5.48
Others	26.81	20.60	18.08
Advance from Curstomer	500.00	-	-
	565.03	**29.62**	**28.85**

17 PROVISION

(Rs in Lakhs)

	Current		
	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Income Tax (Net)	20.53	17.71	21.05
	20.53	**17.71**	**21.05**

18 REVENUE FROM OPERATIONS

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Revenue from operations		
Sale of Products	6,916.05	7,285.26
Job Contract Receipts	286.53	202.69
Export Sales	132.81	52.87
Revenue from operations (Gross)	**7,335.39**	**7,540.82**

19 OTHER INCOME

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Interest Income on		
Bank Deposits & Others	10.82	11.28
Rental Income	56.25	50.55
Dividend From JV In Sultanate of Oman	187.88	163.53
Dividend on Mutual Fund	1.28	-
Profit on sale of Investments	6.50	-
Profit on sale of fixed assets	0.90	-
Other non-operating income (net of expenses directly attributable to such income)	-	2.56
	263.63	**227.92**
TDS - on Rent	3.81	3.14
on Interest	0.64	0.92
on Others	6.02	4.23

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

20 COST OF MATERIAL AND COMPONENTS CONSUMED

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Inventory at the beginning of the year	450.62	575.64
Add: Purchase	4,470.00	4,576.25
	4,920.62	**5,151.89**
Less: Inventory at the end of the year	691.22	450.62
Cost of raw material and components consumed	**4,229.40**	**4,701.27**

21 (INCREASE)/DECREASE IN INVENTORIES

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Inventory at the end of the year		
Finished goods	258.28	160.53
Semi finished Goods	188.77	293.45
	447.05	**453.98**
Inventory at the beginning of the year		
Finished goods	160.53	141.08
Semi finished Goods	293.45	233.44
	453.98	**374.52**
Net (increase)/decrease in inventories	**6.93**	**(79.46)**

22 EMPLOYEES BENEFITS EXPENSES

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Salaries , wages and bonus	568.51	534.10
Contribution to provident and other fund	65.59	63.12
Gratuity Expenses	5.33	15.29
Workmen and staff welfare expenses	21.47	14.32
	660.90	**626.83**

23 FINANCE COSTS

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Interest		
- on Corporate / term loan	30.52	33.25
- on working capital	23.97	39.74
Bank Charges	17.39	11.09
	71.88	**84.08**

24 DEPRECIATION AND AMORTIZATION EXPENSES

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Depreciation on tangible assets	179.74	190.62
	179.74	**190.62**

Scanned by CamScanner

25 OTHER EXPENSES

(Rs. In Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Processing Charges	262.67	241.31
Power & Fuel	124.17	125.40
Repairs & Maintenance		
- Buildings	2.01	5.57
- Plant & Machinery	36.47	27.85
- Other	24.79	21.28
Testing / Laboratory Charges	0.79	0.80
Rent, Rates & Taxes	40.17	8.58
Insurance	4.90	3.46
Prining/Stationery/Postage/Telephone etc.	4.51	5.19
Legal/Professional/Consultancy Fee.	191.59	217.25
Advertisement/Sales Promotion/Subscription/Membership	7.63	3.98
Transportation, Loading & Port Clearing	194.68	159.16
Travelling & Conveyance Expenses	36.26	34.70
CSR Contribution	-	10.00
Payment to Auditor	1.15	1.15
Miscellaneous Expenses	37.44	39.72
	969.23	**905.40**

OTHER EXPENSES

(Rs in Lakhs)

Payment to Auditors :	As at 31.03.2018	As at 31.03.2017
As Auditor:		
- Audit Fees	0.90	0.90
- Tax Audit Fees	0.25	0.25
	1.15	**1.15**

26 EARNINGS PER SHARE(EPS)

(Rs in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Net profit as per statement of profit and loss.	250.48	333.47
Net profit attributable to Equity Shareholders	250.48	333.47
Nominal Value of Equity Shares	10/-	10/-
Weighted average number of equity shares for calculating Basic EPS	2,500,000	2,500,000
Weighted average number of equity shares for calculating Diluted EPS	2,500,000	2,500,000
Basic and Diluted EPS		
-Basic earning per share (in Rs.)	10.02	13.34
-Diluted earning per share (in Rs.)	10.02	13.34

27 CONTINGENT LIABILITIES ARE NOT PROVIDED FOR IN RESPECT OF :

i) Bank guarantees have been issued by the Company's Banker Rs. 20.40 Lakhs (Previous Year Rs. 17.85 lakhs) to the Customers against EMD and performance of goods sold. Letter of credits have been issued to the suppliers for supply of raw materials Rs. 96.56 Lakhs (Previous Year Rs. 29.24 Lakhs). Against above company has pledged FDRs of Rs.43.63 Lakhs (Previous Year Rs. 41.63 Lakhs)

ii) Disputed liability of Rs 36.81 lakhs (Previous Year 36.81 lakhs) on account of Employees State Insurance Contribution (ESIC) has been decided by Hon. High Court of Chhatisgarh, Bilaspur against the Company. The company has again filed a writ petition in the High Court and the High Court has granted stay to the company. The case is yet to be heard.

iii) Disputed liability of Rs.87.80 lakhs (Previous Year Rs. Nil) on account of Cental Sales Tax against which appeal has been filed by the company with Additional Commissioner, Raipur.

iv) Disputed liability of Rs.1.58 lakhs (Previous Year Rs.42.86 lakhs) on account of Excise & Service Tax is pending with Assistant Commissioner - Central GST & Central Excise.

v) Disputed liability of Rs. Nil (Previous Year Rs. 29.29 lakhs) on account of Terminal Tax has been decided by the Hon. High Court of Chhatisgarh against the company. The company has charged the same to Profit & Loss account in the current year for Rs. 35.14 lakhs which include amount for current year also.

vi) Disputed liabilities of Rs.5.72 lakhs (A.Y.2013-14) (Previous year Nil) on account of Income Tax against which appeal has been filed with DCIT, Mumbai

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

28) **Disclosures as required by Ind AS 19 Employees Benefits:-**

a) Defined Contribution Plan:-
Amount of Rs.65.59 lac (Rs.63.12 lac) is recognized as expenses under the following defined contribution plan (refer Note No.22)

Provident Fund	- Rs.51.57 lac (Rs.51.53 lac)
ESI	- Rs.14.02 lac (Rs.11.59 lac)

b) Defined Benefit Plan
Gratuity - Company pays to eligible employees at retirement, death, incapacitation or termination of employment the amount as prescribed under the payment of Gratuity Act 1972. The company charges its Profit & Loss a/c as and when actual payment is made. Gratuity paid is Rs.5.33 lac (Rs.15.29 lac)

Company is in the process of getting the acturial valuation. Once it is done then required provision shall be made in the accounts.

29) **(a)Financial Risk Management :- Objectives and Policies**

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, other financial assets, trade and other receivables, and cash and short- term deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment `and oversight of the Company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

(b) Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non-performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, considering the financial.condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

(c)Trade Receivables : Trade receivables represent the most significant exposure to credit risk and the management reviews the trade receivable of more than three years old write off the non-recoverable amount.

(d) Bank, Cash and Cash equivalents:

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Scanned by CamScanner

(` in lakhs)

Particulars	31-Mar-18	31-Mar-17
Trade receivables	3942.98	4219.38
Bank, Cash and cash equivalents	50.38	48.56

(e) Ageing analysis of Trade Receivables

	31-Mar-18	31-Mar-17
Upto 3 months	2988.92	1796.39
3-6 months	269.66	2035.73
More than 6 months	684.40	387.26
	3942.98	**4219.38**

(f) Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to enough funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have enough liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

(g) Financing arrangements

The Company has access to following undrawn borrowing facilities at the year end.

(Rs. In Lakhs)

	31-Mar-18	31-Mar-17
Cash Credit facilities	403.61	69.41

(h) Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

(Rs.in Lakhs)

As at 31 March 2018	Less than 1 year	More than 1 years	Total
Borrowings	119.59	133.13	252.72
Trade payables	1873.71	-	1873.71
Other financial liabilities	-	-	-
	1993.30	**133.13**	**2126.43**

(Rs.in Lakhs)

As at 31 March 2017	Less than 1 year	More than 1 years	Total
Borrowings	447.16	189.23	636.39
Trade payables	1564.64	-	1564.64
	2011.80	**189.23**	**2201.03**

(i) Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely affect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking action as necessary to maintain an appropriate balance.

Scanned by CamScanner

(j) Forex Exposure Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR).

As the forex exposure risk is comparatively insignificant, the profit/loss is charged to P & L on actual transaction and no provision is made.

(k) Price Risk

The entity is exposed to equity price risk, which arised out from FVTOCI quoted equity shares and mutual funds. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

30) **CAPITAL MANAGEMENT**

The Company's main objectives when managing capital are to:

- ensure enough liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets to maintain investors, creditors and market confidence and to sustain future development of the business.

The company has complied with the covenants of the terms of the major borrowing facilities throughout the reporting period.

31) **Financial Instruments – Accounting classifications and fair value measurements:-**

The following methods and assumptions were used to estimate the fair values

1) Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

2) In respect of investments the company uses the following methods:-

a) In respect of quoted investments, quoted market price on the Balance Sheet date

b) In respect of unquoted investment, fair market value on the Balance Sheet date.

c) In respect of foreign investment at the exchange rate on the Balance Sheet date.

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

List of investments considered for valuation

	Face value Per unit in Rs.	No of shares/unit as at 31.03.18	As at 31.03.18	As at 31.03.17	As at 01.04.16
Trade investment					
Value at cost					
Non Trade Investments					
Carried at fair value through OCI					
Investment in Equity Instruments, fully paid up (unquoted)					
200 Equity shares of Rs.10/- each of BEC Strips Ltd	10	200	0.20	0.20	0.20
200 Equity shares of Rs.10/- each of Hosak Industrial & Plastic P Ltd	10	30000	3.00	3.00	3.00
200 Equity shares of Rs.10/- each of BEC Impex International (P) Ltd	10	800000	10.00	10.00	10.00
Investment in J.V UNISCO LLC OMAN		225000	331.93	331.93	331.93
Total unquoted shares			**345.13**	**345.13**	**345.13**
Value at FVTOCI			**507.18**	**505.30**	
Quoted					
Other Long Term Investment					
SBI Long Term Advance Fund		42400000	4.24	4.24	4.24
SBI Magnum Global Fund					8.00
SBI Magnum Balance Fund					8.00
Reliance Equity Opportunities Fund				3.62	3.62
Aditya Birla Sunlife Cash Manager Fund		480595	2.00	-	5.16
Aditya Birla Sunlife Balance'95 Fund -Growth		4145794	26.11	-	7.00
Aditya Birla Sunlife Frontline Equity Fund-Growth		2813393	5.00	21.21	3.20
Aditya Birla Sunlife MNC Fund - Growth		803878	5.00	3.00	2.50
HDFC Balanced Fund DP - Growth				3.00	3.00
HDFC Mid-Cap Opportunities Fund -Growth				1.00	10.00
ICICI Prudential Liquid D.P - Growth		47574302	117.00	-	-
ICICI Prudential Equity Arbitrage Fund-DP		139926261	20.81	-	-
Aditya Birla Sunlife Corp. Bond Fund – Gr.Regular		116475900	15.00	-	-
Aditya Birla Sunlife Top 100 Fund-Gr. DP		18014524	10.13		
Aditya Birla Sunlife Medium Term Plan Gr. R P		46139116	10.00	2.91	1.36
Reliance Arbitrage Advantage Fund -M.D.P		43627187	4.64	-	-
HDFC Arbitrage Fund W.P -ND		74314693	8.02	-	-
HDFC Capital Builder Value Fund RP-Gr		862002	2.50	-	-
HDFC Low Duration Fund DP RP		13435	5.05	-	-
HDFC top 100 Fund		568359	2.50	-	-
HDFC Arbitrage Fund W.P - MD		68731040	7.24	-	-
HDFC Balanced Fund RP-Growth		3395641	5.00	-	-
Total Mutual Fund			**255.49**	**47.98**	**56.08**
Value at FVTOCI			**270.84**	**55.30**	**-**

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

Aggregate amount of quoted investments and market value thereof			-	-	-
Aggregate amount of investments at cost			600.62	393.11	401.21
Aggregate amount of investments at FVTOCY			778.02	560.60	401.21

32) **(a) Details of Companies /Associates/Directors/ Relatives of Directors**

(i) Company controlled by Directors/relatives are:-i) Bhilai Engg Corporation Ltd. (ii) BEC Strips Ltd (iii) BEC Impex International Pvt. Ltd. (iv) BEC Projects Ltd. (v) Arkas Energy LLP (vi) Arkas Industries Pvt. Ltd. (vii) Arkas Biocon Pvt.Ltd. (viii) BEC Infra Pvt. Ltd.

(ii) Associate concerns are i) Dreams (proprietary concern)

(iii) Name of the key Management Personnel (i) Shri Arvind Kumar Jain (ii) Shri Rajeev Jain (iii) Shri Ashish Jain and (iv) Mrs Kanika Jain.

(b) **Information on related party disclosures**

Nature of Transaction	Company controlled by Directors		Associates	
	2017-18	2016-17	2017-18	2016-17
Sale of Goods/Services				
a) BEC Ltd-Fdry Div	29.18	18.33	-	-
b) BEC Ltd-Unit-3	0.02	2.73	-	-
Rent received				
a) BEC Ltd-Proj. Div	28.48	27.60	-	-
b) Dreams	-	-	-	0.53
Purchase of goods				
a) BEC Ltd-Proj Div	17.68	25.33	-	-
b) BEC Ltd-Fdry Div	1.27	-	-	-
Consultancy Charges paid				
a) Arkas Inds. Pvt Ltd	120.00	120.00	-	-
Outstanding Receivable				
a) BEC Ltd-Proj.Div	1138.07	1075.61	-	-
b) BEC Ltd	65.43	65.43	-	-
Outstanding Payable				
a) BEC Infra Pvt Ltd	500.00	-	-	-

There is no transaction with the directors and their relatives.

33) **SEGMENT REPORTING AS PER AS 17**

The company is operating in Refractory manufacturing only, hence no segment reporting.

34) **MSME** : As informed by management, there is no Micro, Small & Medium Enterprises, to whom the company owes dues, which is outstanding for more than 45 days as at 31st March 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified by the company.

35) **Corporate Social Responsibility Expenses :** According to provisions of section 135 of the Companies Act 2013, the company was required to spend during 2017-18 Rs.8.21 lac (Pr.year Rs.7.21 lac) against which the company has spent Rs. NIL (Pr.year Rs.10.11 lac)

TAUNK & SRIKANTH Chartered Accountants

Scanned by CamScanner

36) **Other Notes:-**

i) In accordance with past practice of the company, followed consistently, Leave Salary, Leave Travel Allowances, Gratuity & Interest on Security Deposit with Electricity Board are accounted for on Cash basis.

ii) Trade Receivable, trade payables and other debit & credit balances are subject to confirmation.

iii) Contribution to LIC under group gratuity scheme has not been made for quite some time. Estimated liability of gratuity at year end is Rs.133.57 lac (Pre.year -Rs.123.51 lac) for which no provision has been made.

iv) Some of the bank balances are subject to reconciliation and balance confirmation.

v) In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realized in the ordinary course of business.

vi) The company has not considered the liability of CGST/SGST/IGST in valuation of finished goods lying in company's godown at the year-end. Had it been so included, the value of inventory as well as current liability would have been higher by Rs. 40.93 Lac (approx.) (PY Rs.24.46 Lac) (approx.) and thus there would have no impact on the profitability for the year.

37) Previous year figures have been regrouped / rearranged wherever necessary.

For M/s Taunk & Srikanth
Chartered Accountants,
(FRN. – 001524C)

(N.K Taunk)
Partner
M.No.30421

Place : Nagpur
Dated : 06th Aug, 2018

TAUNK & SRIKANTH Chartered Accountants

For and on behalf of the Board

(Directors)

Scanned by CamScanner