

- **BOARD OF DIRECTORS**

**Mr. Dhirajlal Jangla
(Chairman)**

**Mr. Kiran D. Jangla
(Managing Director)**

**Ms. Nirmala Maurya
(Independent Director)**

**Mr. Naresh Garodia
(Independent Director)**

**Mr. Bhidhan Gujarati
(Independent Director)**

**Mr. Pradeep Agarwal
(Nominee Director)
Resigned wef 29.05.2017**

- **REGISTERED OFFICE**

327, 3RD FLOOR, ARUN CHAMBERS, TARDEO
MUMBAI Mumbai City MH 400034,

- **BANKERS**

INDIAN OVERSEAS BANK
65/67, Bhulabhai Desai Road Breach Candy, Mumbai -
400026

- **STATUTORY AUDITORS**

Thaker Butala Desai
Chartered Accountants
Office No. 418, 4th Floor, B Wing,
Dalamal Towers, Nariman Point, Mumbai-400021

GRAND FOUNDRY LIMITED

CIN L99999MH1974PLC017655

Regd. Office: 327, 3rd Floor, Arun Chambers, Tardeo Mumbai- 400034.

Ph. No. 022-23526316; E-mail Id:- compliance@gfsteel.co.in; Website: www.gfsteel.co.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF GRAND FOUNDRY LIMITED WILL BE HELD ON FRIDAY, 29th DAY OF SEPTEMBER, 2017 AT 10:00 A.M. AT GOLD COINS, 6- ARUN CHAMBERS, NEXT TO A/C MARKET, TARDEO ROAD, MUMBAI-400034 TO TRANSACT THE FOLLOWING BUSINESS:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt Balance Sheet as at 31st March, 2017 and the Statement of the Profit & Loss along with Cash Flow Statement and Notes to the Accounts for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kiran Jangla (DIN 01246423), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize board to fix their remuneration.

SPECIAL BUSINESS:

4. Appointment of Minal Jangla as the director of the Company

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

“RESOLVED THAT pursuant to Sections 160 & 161 of the Companies act, 2013 and any other applicable provisions if any, Mrs. Minal Jangla, who was appointed as an Additional Director on 11th August, 2017 be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT any of the Director of the company be and are hereby severally authorised to file relevant forms with the registrar of companies, Maharashtra, Mumbai and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment

By Order of the Board of Directors
For **Grand Foundry Limited**

Dhiraj Jangla

Director

Date : 11.08.2016
Place: Mumbai

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A proxy appointed by a member holding more than 10 percent of the total share capital of the Company carrying voting rights shall not act as proxy for any other member.
- Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2017 to 29th September, 2017 (both days inclusive).
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company.
- Members seeking further information about the accounts are requested to write atleast 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
- Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Purva Sharegistry (India) Private Limited, Unit no. 9 Shiv Shakti Ind. Estt. J. R. Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011 about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
- Members are requested to bring their copies of Annual Report to the meeting, as the same will not be supplied again at the meeting as a measure of economy.
- Members are requested to furnish or update their e-mail IDs with the Registrar for sending the soft copies of the Annual Report of the Company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs.
- Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
- Members may also note that the Notice of 25th Annual General Meeting and Annual Report for the year 2015-2016 is also available on the website of the Company www.gfsteel.co.in for their download.

Voting Through electronic means

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 (Act), read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the Company is pleased to provide the facility of e-voting to its Members. The Members can avail the said facility from a place other than the venue of the AGM (remote e-voting) which will be provided by National Securities Depository Limited (NSDL).
- The remote e-voting period will commence on 26 September, 2017 (9.00 a.m.) and will end on 28 September, 2017 (5.00 p.m.) During this period, Members holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 20th September, 2017, may cast their respective votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
- The facility of voting at the venue of AGM will be available only to the Members who have not cast their votes through remote e-voting. Members who have cast their votes by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their votes again.
- The Chairman shall, at the end of discussion at the AGM on the resolutions on which voting is to be held, allow voting, with the assistance of Scrutiniser, for all those Members who are present at the AGM but have not cast their votes yet.
- The Board of Directors has appointed Ms. Avani Gandhi, Practicing Company Secretary, (Membership No. FCS 9220) as the Scrutiniser to scrutinise the entire e-voting process in a fair and transparent manner.

f) Procedure for Remote E-Voting

A. For Members receiving information electronically

In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/DPs]:

- Please open and read the email received from NSDL and open attached PDF file with your Client ID or Folio No. as default password. The said PDF file contains your "User ID" and "Password" for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- Click on Shareholder – Login
- Put user ID and password as initial password as mentioned in step (a) above. Click Login.
NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- After successful login, you can change the password with new password of your choice.
- Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- Select "EVEN" (E Voting Event Number) of Grand Foundry Limited. Now you are ready for e-voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- j) Upon confirmation, the message “Vote cast successfully” will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
- i) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-voting system in future.
- k) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. The instructions for e-voting for Members other than in (A) above:

- A. In case a Member receives physical copy of the Notice of AGM (for the Members whose e-mail IDs are not registered with the Company/DPs) or requesting physical copy] :
 - (i) Initial user ID and password are provided with the notice. Please follow all steps from above, to cast vote.
- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- III. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2017.
- IV. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- V. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM/
- VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VII. The Chairman shall, at the AGM/ EGM/ EOGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.gfsteel.co.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India.

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 4,

Particulars	MINAL JANGLA
DIN	00734650
Date of Birth	31.12.1958
Date of Appointment	11.08.2017
Nature of Expertise	Artificial Jewellery
Experience	5 years
Name of the Companies in which also holds directorship	JUPITER WEALTH ADVISORS PRIVATE LIMITED GRAND BRIGHT BARS LIMITED
Name of Companies in Committees of which hold membership/chairmanship	NIL
Shareholding in Grand Foundry Limited	1436

By Order of the Board of Directors
For Grand Foundry Limited

Dhirajlal Jangla
Director

Date : 11/08/2017
Place: Mumbai

DIN: 02096717

GRAND FOUNDRY LIMITED

Regd. Office: 327, 3RD Floor, Arun Chambers, Tardeo Mumbai- 400034. Ph. No. 022-23526315; E-mail Id:-
compliance@gfsteel.co.in; Website:gfsteel.co.in; CIN L99999MH1974PLC017655

DIRECTORS' REPORT

To
THE MEMBERS,

Your Directors take pleasure in presenting the 25th Annual Report together with the Audited Accounts of your Company for the financial year ended March 31, 2017.

FINANCIAL RESULTS

Particulars	2016-2017 (Rs.)	2015-16 (Rs.)
Gross Profit/Loss	(22,05,584)	(90,94,037)
Finance Cost	19,24,206	17,64,961
Depreciation	16,49,235	19,81,479
Profit/Loss before exceptional Item	13,67,857	(1,28,40,477)
Less: Exceptional Items	-	5,14,609
Less: Deferred Tax Asset (Net)	50,72,074	-
Profit/Loss during the year	64,39,931	(1,33,55,086)

PERFORMANCE REVIEW

During the year under review your Company has made profit of Rs. 64,39,931 as against loss of Rs. (1,33,55,086) in the previous year. Net Profit after depreciation, Financial cost and Exceptional item is Rs. 64,39,931 as against loss of Rs. (1,33,55,086) in the previous year.

DIVIDEND

In view of the losses incurred your directors does not recommend any dividend for the Financial year ended 31.03.2017.

TRANSFER TO RESERVE:

Your Company has not transferred anything to reserve during the year under review.

NUMBER OF MEETINGS OF THE BOARD

Regular meeting of the board are held to discuss and decide on various business policies, strategies and other business decisions. Board meet 4 times during the year under review.

The details of number and dates of meetings held by the Board and its Committees, attendance of Directors is given separately in the attached Corporate Governance Report.

Company has following Committees of the Board

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Relationship Committee
- Risk Management Committee

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134 (3) (c) of the Companies Act, 2013, your Directors states that:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit and loss of the Company for the year ended on that date;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.
- that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and;
- that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed

thereunder. During the financial year 2016-17, the Company has not received any complaints on sexual harassment and no complaints are remaining pending as on 31 March, 2017.

SIGNIFICANT EVENT:

Your Company has changed its R&T Agent from Computech Sharecap Limited to Purva Sharegistry (India) Private Limited.

Company has been suspended from the BSE Limited and National Stock Exchange of India Limited due to penal reasons. As the company had suffered the losses and it was under the Board for Industrial and Financial Reconstruction Company for about 10 years it was not in the position to make the payment towards the listing fees. Listing fees of National Stock Exchange of India Limited has already been paid and the listing fees of BSE Limited shall be paid as soon as possible. Your Company has already made the application for revocation of suspension of Trading in the equity shares of the Company to BSE Limited and National Stock Exchange of India Limited and is in process of getting the suspension revoked.

REPORT

Corporate Governance Report with auditors' certificate thereon and Management Discussion and Analysis are attached and form part of this report.

SUBSIDIARIES

Your Company does not have any subsidiary.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

DIRECTORS

Board has appointed Mr. Pradeep Agarwal as the Nominee Director representing Board of Industrial & Financial Reconstruction. He resigned with effect from 29th May, 2017 due to dissolution of Board of Industrial & Financial Reconstruction.

Further Mrs. Minal Jangla was appointed as an Additional Director of the Company with effect from 11/08/2017. Board recommends to regularise her appointment as the Director of the Company.

As per the provisions of the Companies Act, 2013 Mr Kiran Jangla will retire by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment. The Board recommends his re-appointment.

The information on the particulars of Director eligible for appointment in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 has been provided in the notes to the notice convening the Annual General Meeting.

AUDITORS

Board has recommended the appointment of Thacker Butala Desai, Chartered Accountants as statutory auditors of the company, members are requested to appoint them as statutory auditors of the company and to authorise Board to fix their remuneration.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

M/s Avani Gandhi & Associates has been appointed as the Secretarial Auditor of the Company for the Secretarial Audit of the Financial Year 2016-2017

MANAGEMENT'S EXPLANATION OF SECRETARIAL AUDITORS' REMARK:

With respect to the Secretarial Auditor's remark in the secretarial audit management has to state that as under:

- a. Company is in process of appointment of Company Secretary interviews for the same are going on. Company shall soon appoint the CS for the company.
- b. During the year 2016-2017 internal auditor was not appointed but with effect from 11th August, 2017 company have appointed Vijay D. Dedhia and Co. as internal auditor of the company.
- c. Company did not have support from its Registrar Transfer Agent due to which the company was not having up to date shareholding pattern because of which the company was unable to file Annual returns of the company and provide e-voting facility to its members since e-voting requires the support from RTA. Company has changed its RTA and from this year same shall be complied with. Members are given the e-voting facility in the ensuing Annual General Meeting.
- d. Due to lack of support from the RTA, the company couldn't file timely relevant quarterly compliances like Reconciliation of share capital audit, Compliance Certificate under regulation 7(3) and 40(9) with the Stock Exchange. As the company was not in possession of relevant documents for certifications, company was not in the position to get the relevant certificates from the Practicing Company Secretary. Company has now changed its RTA and the same shall be complied now.
- e. Listing fees to the NSE has been paid and the interest thereon shall be paid asap. Listing Fees to the BSE Limited shall be paid as soon as possible.
- f. CFO of the company was not appointed as on the date of signing of the balance sheet as on 31.03.2016. Currently the company has appointed CFO and the balance sheet of the company shall be signed as per the provision of the companies act 2013.
- g. Promoters are in process of dematerializing their shareholding.

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

- A] Conservation of Energy and Technology Absorption:
- i) The step taken or impacts on conservation of energy – The operation of your Company are not energy intensive. However, adequate measures have been initiated for conservation of energy.
 - ii) The steps taken by the Company for utilizing alternative sources of energy – though the operations of the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when necessity arises.
 - iii) The capital investment on energy conservation equipment's- NIL

B] Foreign Exchange Earnings & Outgo:

(Rs. In Lacs)

PARTICULARS	2016-2017	2015-2016
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

PARTICULARS OF EMPLOYEES:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 197 (12) of the Companies Act, 2013, read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Details of Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements. The company has not given any loan during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of extract of the Annual Return in form MGT-9 a required under section 92 of the Companies Act, 2013, is included in this report as **Annexure III** and forms an integral part of this Report.

INDEPENDENT DIRECTORS' DECLARATION:

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors

RISK MANAGEMENT

Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework and (b) Overseeing that all the risk that the organization faces have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Risk Management Policy was reviewed and approved by the Committee. The Company manages monitors and reports on the principal risk and uncertainties that can impact its ability to achieve its objective.

INTERNAL FINANCIAL CONTROLS:

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

WHISTLE BLOWER POLICY

The Company has a whistle Blower policy to report genuine concerns or grievances. The Whistle Blower policy has been posted on the website of the Company at www.gfsteel.co.in

EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

REMUNERATION POLICY

The company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

VIGIL MECHANISM

The company has a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

The Vigil Mechanism (Whistle Blower Policy) is available on the company's website.

CODE OF CONDUCT

Directors, Key Managerial Personnel and senior management of the Company have confirmed compliance with the Code of Conduct applicable to the Directors and employees of the Company and the declaration in this regard made by the CEO & Whole Time Director is attached as Annexure 'I' which forms a part of this Report of the Directors. The Code of Conduct is available on the Company's website www.indagrubber.com

SUBSIDIARIES

The company has framed a Policy for determining Material Subsidiaries. However the company does not have any subsidiary within the meaning of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions are in the ordinary course of business and at arm's length basis, which are not material in nature. All related party transactions are with the approval of the Audit Committee and periodically placed before the Board for review.

APPRECIATIONS

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

For and on behalf of the Board of Directors

Date : August 11, 2017

Place : Mumbai

Dhirajlal Jangla
DIN: 02096717

Kiran Jangla
DIN: 01246423

ANNEXURE-I

Annual Compliance with the Code of Conduct for the Financial Year 2016-2017

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31, 2017 from all the Board Members and Senior Management Personnel.

For and on behalf of the Board of Directors
Grand Foundry Limited

Date : July 13, 2017

Place : Mumbai

Director
DIN: 01246423

Kiran Jangla

ANNEXURE-II

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017**

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

To,
The Members,
Grand Foundry Limited

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

Based on my/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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Grand Foundry Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;: Not Applicable.
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; : Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; : Not Applicable
 - (f) The Securities and Exchange Board of India (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; Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; : Not Applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange Limited and BSE Limited.

I Further report that, the compliance by the company of applicable Financial Laws, like direct and indirect tax law has not been reviewed in this audit since the same have been subject to review by the Statutory Financial Audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. *The Company has not complied with the provisions of Section 203 in respect of the appointment of Company Secretary.*
2. *During the year under review Company had not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013.*
3. *The Company has not filed relevant forms with Registrar of Companies viz. AOC-4, MGT-7, MGT-14,*
4. *The Company has not provided e-voting facility to the Shareholders for its General Meeting.*
5. *Company has not complied with the SEBI DP regulation 55A- Reconciliation of Share capital audit report for the quarter ended 30.06.2016, 30.09.2016 and 31.12.2017 were not submitted with the exchange.*
6. *Company has not complied with the SEBI (Listing Obligations and Disclosure Requirements) regulation 40(9)- Certificate from the Practicing Company secretary certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies were not submitted to the exchange.*
7. *Company has not complied with the SEBI (Listing Obligations and Disclosure Requirements) regulation 13(3) - Statement of Investor complaints were not submitted to the exchange.*
8. *Company has not complied with the SEBI (Listing Obligations and Disclosure Requirements) regulation 7(3)- Compliance Certificate certifying maintaining physical & electronic transfer facility were not submitted to the Exchange.*
9. *Company has not complied with the SEBI (Listing Obligations and Disclosure Requirements) regulation 14- Listing fees to the BSE Limited were not*

paid by the company and the payment of listing fees to the National Stock Exchange of India Limited were delayed by 18 days. Interest payment on the delayed listing fees are pending to be paid

- 10. Company has not complied with the SEBI (Listing Obligations and Disclosure Requirements) regulation 44- Company has not submitted the voting details of the Annual General Meeting held during the year 2016-2017.*
- 11. Disclosures under Regulation 30 of SEBI (Substantial Acquisition of shares and takeovers) Regulations, 2011 were not given.*
- 12. Composition of the Committees of Board of Directors i.e Audit Committee, Nomination Committee and Stakeholder Committee were not in accordance to the provisions of the Companies Act, 2013 however the same was complied during the year.*
- 13. Relevant documents pertaining to dispatch of annual reports to the shareholder of the company were not made available to us during our audit and hence we are unable to comment on it.*
- 14. Attendance Register for the Annual General Meeting was not made available to us hence we are unable to comment with regarding to the quorum of the Annual General Meeting.*
- 15. Balance Sheet of the company for year ended 31.03.2016 which was signed on 27th May, 2016 was not signed in accordance with the section 134 of Companies Act, 2017.*
- 16. 100% Promoters holding are not in dematerialized form.*
- 17. Company has been suspended from Trading in the equity shares of the company from BSE Limited and from National Stock Exchange of India Limited due to penal reasons. Company has made an application for suspension of revocation with BSE Limited and National Stock Exchange of India Limited which are in process.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

As representations made to us the company did not had co-operation from their Registrar and Share Transfer Agent during the year due to which the Shareholding Pattern submitted as per regulation 31 of SEBI (Listing Obligations and Disclosure Requirement) was prepared and submitted on the basis of last data available with the company however the fact has been mentioned in the Shareholding Pattern submitted with the exchanges.

We further report that during the audit period there was no other specific events/action in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a majority bearing on the Company's affairs.

Name of Company Secretary in practice: Ms. Avani Gandhi

FCS no. 9220

C.P no. 16143

Place: Mumbai

Date : 31.06.2017

'Annexure A'

To,
The Members
Grand Foundry Limited

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

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

Date: 13.06.2017

Place: Mumbai

Avani Gandhi
Practising Company Secretary Membership No.
FCS 9220
Certificate of Practice No. 16143

ANNEXURE- III

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31 March, 2017

[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: -	L99999MH1974PLC017655
ii)	Registration Date:	August 1, 1974
iii)	Name of the Company:	Grand Foundry Limited
iv)	Category/Sub-Category of the Company:	Public Company/Limited by share
v)	Address of the registered office and contact details:	327, 3rd Floor, Arun Chambers, Tardeo Mumbai 400034 Phone no. 022-23536316
vi)	Whether listed company:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Purva Sharegistry (India) Private Ltd , Unit no. 9 Shiv Shakti Ind. Estt. J.R. Boricha marg Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai 400 011 Email: helpdesk@computechsharecap.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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Bright Steel Bars	72285090	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	N.A				

IV. 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	5716	12714	18430	0.18	5716	12714	18430	0.18	0
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporate	0	1318860	1318860	12.64	0	1318860	1318860	12.64	0
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL:(A)									
(1)	5716	1331574	1337290	12.82	5716	1331574	1337290	12.82	0

(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
								0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	5716	1331574	1337290	12.82	5016	1331574	1336590	12.82	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	2000	2000	0.02	0	2000	2000	0.02	0
b) Banks/FI	1480	500	1980	0.02	1480	500	1980	0.02	0
c) Central govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies		3100	3100	0.03		3100	3100	0.03	0
g) FIIS	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(1):	1480	5600	7080	0.07	1480	5600	7080	0.07	0
(2) Non Institutions									
a) Bodies corporate	0	0	0	0.00	0	0	0	0.00	0
i) Indian	0	0	0	0.00	0	0	0	0.00	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals	0	0	0	0.00	0	0	0	0.00	0
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	4854317	2222394	7076711	67.85	4854317	2222394	7076711	67.85	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1130278	0	1130278	10.84	1130278	0	1130278	10.84	0
c) Others (specify)	766607	112034	878641	8.42	766607	112034	878641	8.42	0
SUB TOTAL (B)(2):	6751202	2334428	9085630	87.11	6751202	2334428	9085630	87.11	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	6752682	2340028	9092710	87.18	6752682	2340028	9092710	87.18	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	6758398	3671602	10430000	100.00	6758398	3671602	10430000	100.00	0

Note: The above figures are based on the records available from the new RTA of the company as on 30.06.2017. Company has not received the data as on the date mentioned above from the old RTA and hence is unable to provide the accurate figures in the above table.

2) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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	ANA Computers Ltd	1,29,300	1.24	-	1,29,300	1.24	-	-
2	Grand Iron & Wire Ltd	1,31,860	1.26	-	1,31,860	1.26	-	-
3	Harshad N Mehta	7014	0.07	-	7014	0.07	-	-
4	Heena Ashok Mehta	3,800	0.04	-	3,800	0.04	-	-
5	Jaiman A Mehta	1,400	0.01	-	1,400	0.01	-	-
6	Jangla Multiple Steels Ltd	7,40,100	7.10	-	7,40,100	7.10	-	-
7	Jayshree Kirti Mehta	500	0.00	-	500	0.00	-	-
8	King Steels Ltd	3,17,600	3.05	-	3,17,600	3.05	-	-
9	Kirti Anantra Mehta	300	0.00	-	300	0.00	-	-
10	Mehta Kokila Harshad	3,500	0.03	-	3,500	0.03	-	-
		1436	0.01	-	1436	0.01	-	-
12	Namita Hiten Jangla	480	0.00	-	480	0.00	-	-
	Total	13,37,290	12.82		13,37,290	12.82		

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

SN		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
	At the beginning of the year	13,37,290	12.82%	13,37,290	12.82%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	13,37,290	12.82%	13,37,290	12.82%

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of equity shares of Rs.4/- each	% of total shares of the company	No. of equity shares of Rs.4/- each	% of total shares of the company
	At the Beginning of the year				
1	Dhanasekhar Attirala	406573	3.90	406573	3.90
2	Harvic Management Services Ltd	77524	0.74	484097	4.64
3	Sangita Garg	70170	0.67	554267	5.31
4	Bakliwal Financial Services (India)	68040	0.65	622307	5.96
5	Dineshbhai Tribhovandas Panwala	65375	0.63	687682	6.59
6	Aalok Chordia	60000	0.58	747682	7.17
7	Arihant Shyamsukha	56200	0.54	803882	7.71
8	Mohan Tradecom Company Pvt Ltd	53786	0.52	857668	8.23
9	Jayant H Modi	50000	0.48	907668	8.71
10	Deepak H Modi	50000	0.48	957668	9.19
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/ decrease (eg. Allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)				
1	Dhanasekhar Attirala	406573	3.90	406573	3.90
2	Harvic Management Services Ltd	77524	0.74	484097	4.64
3	Sangita Garg	70170	0.67	554267	5.31

4	Bakliwal Financial Services (India)	68040	0.65	622307	5.96
5	Dineshbhai Tribhovandas Panwala	65375	0.63	687682	6.59
6	Aalok Chordia	60000	0.58	747682	7.17
7	Arihant Shyamsukha	56200	0.54	803882	7.71
8	Mohan Tradecom Company Pvt Ltd	53786	0.52	857668	8.23
9	Jayant H Modi	50000	0.48	907668	8.71
10	Deepak H Modi	50000	0.48	957668	9.19

Note: Company is unable to provide the data as on the above mentioned dates as company has not received the same from its old RTA. The above date has been provided on the basis of the data received from its new RTA as on 30.06.2017.

v) **Shareholding of Directors and Key Managerial Personnel:-**

SN	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year Minal Jangla- CEO	1436	0.01	1436	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	1436	0.01	1436	0.01

vi) **INDEBTEDNESS**

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

	Outstanding Interest Due on Debentures	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
Principal Amount	9,80,000	NIL	NIL	NIL	9,80,000
ii) Interest due but not paid	1,69,59,765	NIL	NIL	NIL	1,69,59,765
iii) Interest accrued but not due	NIL	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year					
Addition	NIL	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL	NIL
Net Change	18,10,762	NIL	NIL	NIL	18,10,762
Indebtedness at the end of the financial year					
i) Principal Amount	9,80,000	NIL	NIL	NIL	9,80,000
ii) Interest due but not paid	1,87,70,527	NIL	NIL	NIL	1,87,70,527
iii) Interest accrued but not due	NIL	NIL	NIL	NIL	NIL
Total (i+ii+iii)		NIL	NIL	NIL	

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify -PF	-	-
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors: Not Applicable N.A

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD Not Applicable

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	NIL NIL	Nil Nil	Nil Nil	Nil Nil
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015)

CORPORATE GOVERNANCE REPORT

(A) Company's Philosophy on Code of Corporate Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value.

GOVERNANCE STRUCTURE

The Corporate Governance structure at GFL is as follows:

1. Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
2. Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee, Risk Management Committee and the Stakeholders Relationship Committee).

Vigil Mechanism

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

(B) Board of Directors

(i) Board Composition

The composition of the Board as on date is in accordance with the requirements of the corporate Governance code of Listing Agreement with the stock exchanges. The Board of Directors consists of optimal combination of Executive, Non-Executive and Independent directors. As on the date of report the Board comprised of Two Executive Directors and Three Non – Executive Directors. The Chairman of the Board is a Executive Director.

As on 11.08.2017, the constitution of the Board is as given below:

Director	Executive/Non-Executive/ Independent	Number of other		
		Directorships*	Committee Memberships#	Committee Chairmanships#
Shri. Dhirajlal Jangla	Chairman, Executive	3	0	0
Shri. Kiran Jangla	Managing Director Executive	4	2	0
Shri. Bidhan Gujarati	Non-Executive, Independent	1	0	0
Shri. Naresh Goradia	Non-Executive Independent	0	2	0
Smt. Nirmala Maurya	Non – Executive Director	0	2	0
Shri Pradeep Agarwal**	Nominee Director	NA	NA	NA

* Other Directorships exclude Directorships held in Private Limited Companies and in Grand Foundry Limited.

#Committee of Directors includes Audit Committee and Stakeholder Relationship Committee of Directors only.

** Shri Pradeep Agarwal was appointed as Nominee Director on behalf of BIFR with effect from 13.02.2017 and he resigned from the company w.e.f 29.05.2017 due to dissolution of BIFR.

Notes:

- Mr. Dhirajlal Jangla and Mr. Kiran Jangla are related to each other. Mr. Dhirajlal Jangla is the father of Mr. Kiran Jangla.

(ii) Board Meetings and Attendance of Directors

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

There were Four Board Meetings during the year ended 31st March, 2017

27 th May, 2016	8 th August, 2016	15 th November, 2016	13 th February, 2017
----------------------------	------------------------------	---------------------------------	---------------------------------

The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2016-17 and the last AGM:

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Shri. Dhirajlal Jangla	4	4	Yes
Shri. Kiran Jangla	4	4	Yes
Shri. Bidhan Gujarati	4	4	Yes
Shri. Naresh Goradia	4	4	Yes
Smt. Nirmala Maurya (appointed wef 08.08.2016)	3	3	Yes

(C) Board Committees

To enable better and more focused attention on the affairs of the corporation, the Board delegate particular matters to the committee set up for the purpose. The committees prepare the groundwork for decision making and report at the subsequent Board meeting. Currently, the Board has following Committees –

1. Audit Committee
2. Stakeholder Relationship Committee.
3. Nomination and Remuneration Committee
4. Risk Management Committee

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.

(i) Audit Committee

Terms of reference

(a) Primary objectives of the Audit Committee

The Audit Committee of the Company inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The primary objective of the Audit Committee (the “Committee”) is to monitor and provide effective supervision of the management’s financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out in the financial reporting process – by the management, including the independent auditor – and notes the process and safeguards employed by each.

(b) Scope of the Audit Committee

1. Provide an open avenue of communication between the independent auditor and the Board of Directors (“BoD”)
2. Recommending the appointment, re-appointment and if required the replacement or removal of statutory auditors, fixation of audit fees and also to approve the payment for other services.
3. Meet Four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
4. Confirm and assure the independence of the external auditor.
5. Review with independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
6. Consider and review with the independent auditor the adequacy of internal controls including the computerised information system controls and security.
7. Reviewing with the management the Quarterly financial statements before submission to the Board for approval.
8. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - (a) Any changes in the accounting policies and practices
 - (b) The going concern assumption
 - (c) Compliance with accounting standards
 - (d) Compliance with listing and other legal requirements concerning financial statements
 - (e) Significant adjustment arising out of audit
 - (f) Disclosure of any related party transactions.
 - (g) Qualification in the draft audit report
9. Consider and review with the management and the independent auditor.
 - (a) Significant findings during the year, including the status of previous audit recommendations,
 - (b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
10. Review of the following information:
 - (a) Management discussion and analysis of the financial conditions and results of operations;
 - (b) Statement of significant related party transactions submitted by the management;

The Management is responsible for the Company’s internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company’s financial statements in accordance with the applicable accounting standards and for issuing a report thereon. The Committee’s responsibility is to monitor these processes. The Committee is also responsible to oversee the processes related to the financial reporting and information dissemination, in order to ensure that the financial statements are true, correct, sufficient and credible.

(c) Composition of the Audit Committee

The Audit Committee comprises of three Directors of which two are Independent Directors. The Audit Committee is constituted in accordance with the Corporate Governance Code of the Listing Agreement and the provisions of the Companies Act, 2013. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

The composition of the Audit Committee as on date is as follows:

- 1) Shri. Naresh Goradia (Appointed wef 27.05.2016) - Chairman
- 2) Shri. Kiran Jangla - Member
- 3) Smt. Nirmala Maurya (Appointed wef 08.08.2016) - Member

(d) Audit Committee Meetings and Attendance during the financial year ended 31st March, 2017

The Committee has recommended to the Board the appointment of M/s. Thacker Butala Desai, Chartered Accountants, as the statutory and independent auditors of the Company for the Financial Year 2017-2018 and that necessary resolution for appointing them as auditors be placed before the shareholders.

During the financial year ended 31st March, 2017, Four Audit Committee Meetings were held.

27 th May, 2016	8 th August, 2016	15 th November, 2016	13 th February, 2017
----------------------------	------------------------------	---------------------------------	---------------------------------

The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2016-17 and the last AGM:

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Shri. Kiran Jangla	4	4	Yes
Shri. Naresh Goradia (appointed wef 27.05.2016)	4	3	Yes
Smt. Nirmala Maurya (appointed wef 08.08.2016)	4	2	Yes
Shri Bhidhan Gujarati (resigned as the member of audit committee wef 27.05.2016)	4	2	Yes

Note

- Shri Naresh Goradia was appointed as the member of audit committee wef 27.05.2016. three audit Committee Meetings were held during the year in his tenure
- Mr. Bhidhan Gujarati resigned from the membership of the audit committee wef from 08.08.2016. Two audit committee meetings were held during the year in his tenure.
- Smt Nirmala Maurya was appointed as the member of audit committee wef 08.08.2017. Two audit committee meetings were held during the year in her tenure.

(ii) Stakeholder Relationship Committee:

Composition:

The Stakeholder Relationship Committee is headed by a Non-Executive Director and consisted of the following members as on date of this report:

- 1) Shri. Naresh Goradia (Appointed wef 27.05.2016) - Chairman
- 2) Shri. Kiran Jangla - Member
- 3) Smt. Nirmala Maurya (Appointed wef 08.08.2016) - Member

During the year under review there were two Stakeholder Relationship Committee held which was attended by all the members.

Details of Compliance officer:

Name: Kiran Jangla

Designation: Director

Grand Foundry Limited

327, 3rd Floor, Arun Chambers, Tardeo Mumbai 400034

Phone no. 022-23526317 Email id. compliance@gfsteel.co.in

Details of investor complaints received and redressed during the year 2016- 17 are as follows:

Number of complaints received and redressed

The details of complaints received; cleared/pending during the financial year 2016-2017 are given below:-

No. of Complaints at the beginning of the year	No. of Complaints Received during the year	No. of Complaints Cleared/attended during the year	No. of Complaints at the end of year
NIL	NIL	NIL	NIL

Scope of the Shareholders Relationship Committee:

The said Committee inter-alia, deals with various matters relating to transfer/transmission of shares, issue of duplicate share certificate, investors' grievances and redressal mechanism and to recommend measures to improve the level of investor services.

iii. Nomination and Remuneration Committee

The Broad terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executives are competitive keeping in view prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity. The Remuneration Committee of the Board of Directors comprise of:

Name of the director	Designation in the Committee	Nature of Directorship
Shri.Naresh Goradia	Chairman	Non- Executive Director
Shri. Bidhan Gujarati	Member	Non- Executive Director
Smt. Nirmala Maurya	Member	Non- Executive Director

Nomination and remuneration Committee Meetings and Attendance during the financial year ended 31st March, 2017

During the financial year ended 31st March, 2017, Three Nomination and remuneration Committee Meetings were held on.

27 th May, 2016	8 th August, 2016	13 th February, 2017
----------------------------	------------------------------	---------------------------------

The Table hereunder gives the attendance record of the Directors at the Nomination and remuneration Committee Meetings held during 2016-17:

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended
Shri. Naresh Goradia	3	2
Smt. Nirmala Maurya	3	1
Shri Bhidhan Gujarati	3	3

Note

- Shri Naresh Goradia was appointed as the member of Nomination and remuneration committee wef 27.05.2016. Two Nomination and remuneration Committee Meetings were held during the year in his tenure.
- Smt Nirmala Maurya was appointed as the member of Nomination and remuneration committee wef 08.08.2017. One Nomination and remuneration committee meeting was held during her tenure.

Remuneration Policy:

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

None of the director is paid any remuneration or sitting fees during the year 2016-2017. Presently, the Company does not have any stock option plan or performance linked incentives for its directors.

(D) General Body Meetings:

Details of last **three** Annual General Meetings are given hereunder

Year	Date	Venue	Time	Details of Special Resolution
2013-2014	30/09/2014	327, 3RD FLOOR, ARUN CHAMBERS, TARDEO MUMBAI 400034	11.00 am.	Reduction of Face value of share from Rs.10 each to Rs. 4 each pursuant to BIFR order
2014-2015	30/09/2015	327, 3RD FLOOR, ARUN CHAMBERS, TARDEO MUMBAI 400034	11.00 am	In suppression of resolution passed at the AGM held on 30.09.2014 -Reduction of Face value of share from Rs.10 each to Rs. 4 each pursuant to BIFR order
2015-2016	30/09/2016	327, 3RD FLOOR, ARUN CHAMBERS, TARDEO MUMBAI 400034	11.00 am	No Special Resolution

Extra Ordinary General Meeting:

During the year there was no extra ordinary General Meeting held.

Postal ballots - Procedure & Results

During the year, pursuant to the provisions of the Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has not passed any resolutions through Postal Ballot:

No special resolution is proposed to be conducted through postal ballot.

(E) Disclosures:

(i) Related Party Transactions:

The Company has not entered into any transaction of material nature with the directors, their relatives or management, which was in conflict with the interest of the Company. The Company has a policy on dealing with related party transactions which has been uploaded on our website at the link <http://gfsteel.co.in/wp-content/uploads/2016/07/GFL-Related-Party-Transaction-Policy.pdf>

(ii) Compliances by the Company:

Listing Fees for the BSE Limited is pending for the payment. There has been delayed in payment of listing fees to the National Stock Exchange of India, interest for late payment of listing fees has been imposed on the company. Company has not submitted reconciliation of share capital audit report and Investor grievance statement for the quarter ended for the during There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets, during the last three years/period.

(iii) Whistle Blower Policy:

The Company has already put in place a mechanism for employees to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Companies Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors, managers including the Audit Committee. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <http://gfsteel.co.in/wp-content/uploads/2016/07/GFL-Whistle-Blower-Policy.pdf>

(iv) Details of mandatory & non-mandatory requirements:

The Company has complied with the mandatory requirements of the Corporate Governance of erstwhile Clause 49 of the Listing Agreement and the Listing Regulations relating to Corporate Governance. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to erstwhile Clause 49 of the Listing Agreement and the Listing Regulations.

(F) Means of Communication to Shareholders:

Website	Your Company maintains a website www.gfsteel.co.in wherein there is a dedicated section for Investors to avail all the information required by them. The website provides details, inter alia, about the Company, quarterly financial results, annual reports, shareholding pattern, contact details etc
Quarterly/Annual Financial Results	The annual, half-yearly and quarterly results are generally published in "Financial Express" and "Nav Shakti" in accordance with Regulation 47 of the Listing Regulations. The results are also displayed on the website of the Company www.gfsteel.co.in shortly after its submission to the Stock Exchanges.
Stock Exchanges	As per the Listing Regulations all periodical information, including the statutory filings and disclosures, are sent to BSE and NSE. The filings required to be made under the Listing Regulations; including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS). News and updates as required under Regulation 30 of the Listing Regulations are sent to BSE and NSE within the required time frame and is also placed on the website of the Company www.gfsteel.co.in

(G) General Shareholders' Information:

(i)	CIN	L74999MH1985PLC035047
(ii)	Date, time and venue of Annual General Meeting of Shareholders	29 th September 2017, 11.00 A.M. GOLD COINS, 6- ARUN CHAMBERS, NEXT TO A/C MARKET, TARDEO ROAD, MUMBAI-400034
(iii)	Financial Year/ Financial Calendar (tentative and subject to change)	The financial year of the company starts from April 1st and ends on March 31st of the succeeding year. Financial reporting for quarter ended June 30, 2017 : By August 14, 2017 September 30, 2017 : By November 14, 2017 December 31, 2017 : By February 14, 2017 March 31, 2018 : By May 30, 2018 Annual General Meeting for year ended March 31, 2018 – By September 30, 2017.
(iv)	Dates of book closures	24 th September 2017 to 29 th September 2017 (both days inclusive)
(v)	Rate of Dividend and dividend declaration date	No Dividend has been declared
(vi)	Registered Office	327, 3RD Floor, Arun Chambers, Tardeo Mumbai -400034 Tel. No.: 022 – 23526316
(vii)	Listing on stock exchanges	The Equity Shares of the Company are listed on ("BSE") BSE Limited 25th floor, P. J. Towers, Dalal Street, Mumbai 400 001 and ("NSE") The National Stock Exchange of India Limited. Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai 400 051 The Listing fee to BSE Limited is pending for the payment. Listing fees to National Stock Exchange has been paid.
(viii)	Stock Exchange Code	513343 (BSE Limited) GRANDFONRY (The National Stock Exchange Limited)
(ix)	Registrar To An Issue And Share Transfer Agents	Purva Sharegistry (India) Private Ltd Unit no. 9 Shiv Shakti Ind. Estt. J. R. Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011.
(x)	Share Transfer System	Transfers in physical form are registered by the Registrar and Share Transfer Agents, M/s. Purva Sharegistry (India) Private Ltd within 15 days of receipt of documents complete in all respects. Invalid share transfers are returned within 15 days of receipt. The Stakeholders Relationship committee meets as and when required. (Depending upon share transfers received)
(xi)	Dematerialisation of shares and liquidity	The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialisation of shares and the same are available in electronic segment under ISIN No. INE534A01010. 6758398 equity shares representing 64.80% of the total Equity Capital of the company are held in dematerialized form while 3671602 representing 35.20 % are held in physical format.
(xii)	Reconciliation of Share Capital Audit	As stipulated by SEBI, a practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL). However company has not received any data pertaining to reconciliation statement from the RTA for the quarter June 2016, September 2016 and December, 2016 due to which the company was not in the position to submit the same. Since the RTA of the company has now been changed company is in process of submitting the same.

(xiii)	Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.	As on 31 st March, 2017 there are no outstanding GDR's/ADR's / Warrants or any convertible instruments likely to impact the equity share capital of the Company.
(xiv)	Plant location	The Company does not have any plant.
(xv)	Address for Investor Correspondence	Purva Sharegistry (India) Private Ltd Unit no. 9 Shiv Shakti Ind. Estt. J. R. Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011. Phone no: 022 2301 6761 email:busicomp@gmail.com Mr. Kiran Jangla Director Grand Foundry Limited 327, 3RD Floor, Arun Chambers, Tardeo Mumbai -400034

(xvi) **Stock Market price data**

There was no trading done during the year under review

(xvii) **Distribution of Shareholding as on March 31, 2017:**

Share holding of Nominal value of	Number	% to total	In rs.	% to total
UPTO 5,000	21997	90.52	29482290	28.27
5,001 - 10,000	1256	5.17	10905290	10.46
10,001 - 20,000	525	2.16	8638580	8.28
20,001 - 30,000	169	0.70	4502260	4.32
30,001 - 40,000	64	0.26	2356150	2.26
40,001 - 50,000	99	0.41	4855230	4.66
50,001 - 1,00,000	121	0.50	9637130	9.24
1,00,001 AND ABOVE	71	0.29	33923070	32.52
Total	24302	100	104300000	100

(xviii) **Shareholding as on March 31, 2017:**

Sr.	Category & Name of the Shareholders (I)	No. of fully paid up equity shares held (IV)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)
A			
(1)	Indian		
(a)	Individuals/Hindu undivided Family	1337290	12.82
(b)	Central Government/ State Government(s)	-	-
(c)	Financial Institutions/ Banks	-	-
(d)	Any Other (specify)	-	-
	Sub-Total (A)(1)	1337290	12.82
(2)	Foreign		
(a)	Individuals (NonResident Individuals/ Foreign Individuals)	-	-
(b)	Government	-	-
(c)	Institutions	-	-
(d)	Foreign Portfolio Investor	-	-
(e)	Any Other (specify)	-	-
	Sub-Total (A)(2)		
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	1337290	12.82
B	Table III - Statement showing shareholding pattern of the Public shareholder		
(1)	Institution		
(a)	Mutual Funds	2000	0.02
(b)	Venture Capital Funds		
(c)	Alternate Investment Funds		
(d)	Foreign Venture Capital Investors		
(e)	Foreign Portfolio Investors		
(f)	Financial Institutions/ Banks	1980	0.02
(g)	Insurance Companies	3100	0.03
(h)	Provident Funds/ Pension Funds		
(i)	Any Other (specify)		
	Sub-Total (B)(1)	7080	0.07
(2)	Central Government/ State Government(s)/ President of India		
	Sub-Total (B)(2)		

(3)	Non-institutions		
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	7076711	67.85
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	1130278	10.84
(b)	NBFCs registered with RBI		
(c)	Employee Trusts		
(d)	Overseas Depositories (holding DRs) (balancing figure)		
(e)	Any Other (specify)	878641	8.42
	Sub-Total (B)(3)	9085630	87.11
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	9092710	87.18
C			
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-
	Total NonPromoter- Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-
	Total (A+B+C2)	10430000	100.00
	Total (A+B+C)	10430000	100.00

MANAGEMENT DISCUSSION AND ANALYSIS

a) INDUSTRY STRUCTURE AND DEVELOPMENTS:

Our Company is engaged in the business of manufacturing Bright Steel Bars and wires and is in the market to sell domestically and in exports since 1974. The Quality control and manufacturing process consist of in-house treatment and has standard quality name for more than 2 decades. Due to financial constraints, the company is been depending on business of processing steel on job work basis to maintain better economics and has successfully been able to achieve job work production. The Company also has indulged in the special heat treatment job in order to establish future market of Hardened & Tempered steel for exports as well as domestic, which will pave the path of revival and re-instating the strength of the company.

DOMESTIC MARKET:-

There has been a substantial change of steel requirement in the domestic as well as international market for the consumption of Bright Steel Bars and wires. Majority of Bright Steel Bars and wires are used for making the various kinds of components for Automotive industry, Machinery manufacturing industry, Dairy & food processing industry, chemical and fertilizer industry, electronics and electrical appliances industry along with computer industry. Due to global interaction and industrial change in domestic market, various companies have invested especially in automobile industry and electrical appliances industry along with computer industry.

As your company has been well versed with international business, quality specifications, end market trends, which will be convenient and easy for the company to capture such trends. Various trial orders and sample approvals and certain bulk supplies have been established during the year to continue the pace with domestic market.

INTERNATIONAL MARKET:-

The Company is well established for selling and marketing Stainless Steel Bright Bars internationally in most of the developing countries and has maintained their market share. In the international scenario for Stainless Steel Bright Bars business has been on the greater recessionary trend for few years due to which the company has to go through the constant survival problems. But, at the same time, due to long term standing in the market, the company has been able to maintain its market outside India for Stainless Bright Bars and capturing orders and executing the same with the various financial arrangements. Short term spurts of improved demand has been affecting the company to regain its position from time to time in the international market, but the consistent improvement has been lacking in the international market since long time. The company has still been able to remain in the market even with these trends as well recessionary trends. As known worldwide, Indian steel has faced a lot of anti-dumping suits for Bright Steel Bars from European Community, U.S.A., Canada, the company has successfully been able to fight such anti-dumping petition and retain reasonable supplies to these countries and struggle to retain its position even at low profitability.

b) OPPORTUNITIES AND THREATS

OPPORTUNITIES

➤ The Company is engaged in the business since more than thirty one years and has expertise for marketing and quality maintenance of international quality standards for more than 2 decades and enjoys the market share in developed countries like United States and European market.

THREATS

➤ As the major product of the company is made of Stainless Steel carrying high nickel (metal) which is a sensitive item quoted in LME (London Metal Exchange), the fluctuation may affect the business opportunities and its profitability.

➤ As company's major business is depending on exports the fluctuation in foreign currency may also affect the profitability.

c) SEGMENT- WISE PERFORMANCE

The Company has in the last few years developed various heat treatment processes and successfully supplied commercial lots of heat-treated bars to specific standards in the international market in American, German standards. The scope of business is huge and normal, as this product is utilized and acceptable for various applications in the Engineering industries including Petro Chemical, Oil & Natural gas and Automotive industries worldwide. The company is looking for better profitability business and this kind of supplies keeping the edge over the other competitors. Stringent quality standards and method of processing has been introduced to achieve better reliability and traceability for these kind of products which is mandatory for extending marketing. The international players and competitors for such products are from Italy, Spain and Korea, but with such renowned and established competitors, the company has been able to stand in the international market, establishing its product range internationally.

d) OUTLOOK

The manufacturing facility of the company has been now fully in operation. The Company is currently earning income from outsourcing, manufacturing & marketing exports and earning commission income from the same & doing dedicated job processing for M/s Sunflag Iron & Steel Ltd well known Manufacturer of Alloy & Special Steel.

e) INTERNAL CONTROL SYSTEMS

The Company has adequate Internal Control systems, which provide, inter-alia, reasonable assurance of recording the transactions of its operations in all material respects and providing protection against misuse or loss of Company assets.

f) FINANCIAL PERFORMANCE WITH RESPECT T. OPERATIONAL PERFORMANCE

During the previous year the major source of income consisted of exports /sales whereas in the current year commission has been derived from the exports/sales passed onto fellow industries to maintain the marketing strength of the company.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Grand Foundry Limited.

We have examined the compliance of conditions of Corporate Governance by Grand Foundry Limited (the Company) for the year ended March 31, 2017, as stipulated in Chapter V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulation of the said Company with the Stock Exchange Limited.

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

For and on behalf of
Thaker Butala Desai
Chartered Accountants

Place: Mumbai
Date: July 13, 2017

Kunjan Gandhi, Partner
Membership No.: 039195

THACKER BUTALA DESAI, CHARTERED ACCOUNTANTS

418 Dalamal Tower,B-Wing, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Tel: 2204 9473/2086, Fax: 2204 0148,
e-mail:Kunjan@tbda.in

INDEPENDENT AUDITOR'S REPORT

To the Members of **GRAND FOUNDRY LIMITED**

Report on the Financial Statements

1. We have audited the accompanying financial statements of **GRAND FOUNDRY LIMITED**("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statements of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.
5. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure I** a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With regard to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we provide a report in **Annexure II** for the matters specified therein.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For THACKER BUTALA DESAI
Chartered Accountants
F. R. No. : 110864W
Kunjan Gandhi, Partner
Mem. No.:39195

THACKER BUTALA DESAI, CHARTERED ACCOUNTANTS

418 Dalamal Tower, B-Wing, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Tel: 2204 9473/2086, Fax: 2204 0148,
e-mail:Kunjan@tbda.in

ANNEXURE I REFERRED TO IN PARAGRAPH 9 OF OUR REPORT OF EVEN DATE

- i) **Fixed Assets**
a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
b) According to the information and explanation given to us, the title deed of immovable property is held in the name of the Company
- ii) **Inventory**
The Company has inventory as it is not a service provider. Accordingly, the provision of clause (ii) of para 3 of the Companies (Auditor's Report) Order, 2016 is applicable. The inventory has been physically verified at proper intervals.
- iii) **Loans granted to parties covered in register maintained u/s 189**
As informed, the Company has granted any loans, secured or unsecured to companies, or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, the provision of clause of Para 3 of the Companies (Auditor's Report) Order, 2016 are applicable. The terms on conditions of the loan are not prejudicial to the company's interest.
- iv) **Compliance with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to Loans, Investments, Guarantees and Security**
As informed, the Company has granted loan, not given any guarantee and has provided security in connection with any loan and hence the compliance of the provisions of Section 185 and 186 of the Companies Act, 2013 is applicable and hence commented upon. However the loans granted, the term and condition of the loans are not prejudicial to the interest of the Company.
As informed, the company has investments during the year and the compliance of the provisions of Section 186 of the Companies Act, 2013 is applicable, the company has disclosed full particulars of the investment made in the financial statement.
- v) **Public Deposits**
In our opinion and according to the information and explanation given to us, the company has not accepted deposits. Accordingly, the provision clause (v) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.
- vi) **Cost Records**
On facts, the requirement of clause (vi) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable in case of the Company and hence not commented upon.
- vii) **Statutory dues**
a) The company is regular in depositing undisputed statutory dues including income-tax, service tax, and any other statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
b) As per the information and explanation given to us, there are no dues of Income Tax, Service Tax, Sales Tax, Custom duty, Excise duty and cess which have not been deposited on account of dispute.
- viii) **Dues to financial institutions, banks, Government and debenture holders**
Based on the records examined by us and according to the information and explanations given to us, the Company has borrowed any loans from any financial institution, banks, government or debenture holders as at the Balance Sheet date. Accordingly, the provision of clause (viii) of para 3 of the Companies (Auditor's Report) Order, 2016 is applicable. The company has not defaulted in payment of loans or borrowing to financial institution.
- ix) **Utilisation of proceeds raised by way of Initial Public Offer or further public offer**
The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provision of clause (ix) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.
- x) **Frauds**
During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted accounting practices and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officers or employees were noticed or reported during the year.
- xi) **Managerial Remuneration**
As informed, the company being a Private Limited Company, the provisions of Section 197 and the Schedule V to the Companies Act, 2013 with respect to obtaining requisite approvals for payment of managerial remuneration is not applicable. Accordingly, the provision of clause (xi) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.
- xii) **The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.**
- xiii) **Nidhi Company**
The company is not a Nidhi Company. Accordingly, the provision of clause (xii) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.
- xiv) **Related Party Transactions**
Based on the records examined by us and according to the information given to us, the Company has complied with the provisions of Sections 177 and 188 of the Companies Act, 2013 with respect to the transactions with the related parties and the details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards (AS-18). The provisions of Section 177 of the Companies Act, 2013 is not applicable to the Company, being a Private Limited Company.
- xv) **Preferential Allotment / Private Placement**
Based on the records examined by us and according to the information given to us, the Company has not made any Preferential Allotment or Private Placement of shares or fully or partly convertible debentures. Accordingly, the provision of clause (xiv) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.

xvi)Non-cash transactions

Based on the records examined by us and according to the information given to us, the Company has not entered into any non-cash transactions with the Directors or persons connected with him. Accordingly, the provision of clause (xv) of para 3 of the Companies (Auditor's Report) Order, 2016 is not applicable and hence not commented upon.

xvii)Registration under Section 45-IA of the RBI Act, 1934

The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For THACKER BUTALA DESAI

Chartered Accountants

F. R. No. : 110864W

Kunjan Gandhi, Partner

Mem. No.:39195

Mumbai

Date : July 13,2017

THACKER BUTALA DESAI. CHARTERED ACCOUNTANTS

418 Dalamal Tower,B-Wing, Free Press Journal Marg, Nariman Point, Mumbai 400 021, Tel: 2204 9473/2086, Fax: 2204 0148,
e-mail:Kunjan@tbda.in

ANNEXURE I ITO THE INDEPENDENT AUDITOR'S REPORT – MARCH 31, 2017
(Referred to in our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT:

We have audited the internal financial controls over financial reporting of GRAND FOUNDRY LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS:

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

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 Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

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

OPINION:

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For THACKER BUTALA DESAI
Chartered Accountants
F. R. No. : 110864W

Mumbai Date : July 13,2017

Kunjan Gandhi, Partner
Mem. No.:39195

GRAND FOUNDRY LTD
BALANCE SHEET AS AT 31ST MARCH 2017

Particulars	Sch. No.	AS AT 31st MARCH 2017 RS.	AS AT 31st MARCH 2016 RS.
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	4,17,20,000	4,17,20,000
(b) Reserves and Surplus	2	-10,61,36,199	-11,25,76,130
		-6,44,16,199	-7,08,56,130
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	10,59,76,111	8,10,02,823
Loan from Debentures		9,80,000	9,80,000
(b) Deferred Tax Liabilities (Net)		55,34,074	1,07,56,148
		11,24,90,185	9,27,38,971
(3) Current Liabilities			
(a) Trade Payables	4	3,51,64,982	1,22,16,110
(b) Other Current Liabilities	5	1,10,23,745	1,09,85,817
(c) Short-Term Provisions	6	2,08,915	2,96,049
		4,63,97,642	2,34,97,976
Total Equity & Liabilities		9,44,71,628	4,53,80,817
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets (Tangible)			
Tangible Assets	7	3,74,86,638	4,48,74,020
(b) Long term loans and advances		-	-
(c) Deferred Tax Assets (Net)		-	-
		3,74,86,638	4,48,74,020
(2) Current Assets			
(a) Inventories		4,20,29,695	-
(a) Trade receivables	8	1,32,74,026	33,723
(b) Cash and cash equivalents	9	1,45,181	99,537
(c) Short-term loans and advances	10	15,36,087	3,73,537
		5,69,84,989	5,06,797
Total Assets		9,44,71,628	4,53,80,817
NOTES TO ACCOUNTS		19	
As per our Report of even date.			
FOR THACKER BUTALA DESAI		FOR GRAND FOUNDRY LTD	
CHARTERED ACCOUNTANTS		Dhirajjal B.Jangla, Chairman	
FRN.: 11086W		Kiran D Jangla, Managing Director	
KUNJAN N. GANDHI, Partner		Priti Panchal, CFO	
Membership No. : 39195			
MUMBAI			
DATED : 13th July, 2017			

GRAND FOUNDRY LTD
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

Sr. No	Particulars	Sch. No.	As on 31st March 2017 Rs.	As on 31st March 2016 Rs.
I	Revenue from operations	11	2,46,83,353	2,24,13,910
II	Other Income	12	13,01,110	19,79,019
III	III. Total Revenue (I +II)		2,59,84,463	2,43,92,929
IV	Expenses:			
	Consumption of Raw Materials			
	Purchase - Consumables	13	84,58,115	2,23,03,427
	Employee Benefit Expense	14	14,07,431	26,16,902
	Financial Costs	15	19,24,206	17,64,961
	Depreciation and Amortization Expense		16,49,235	19,81,479
	Other Expenses	16	1,11,77,618	85,66,637
	Total Expenses (IV)		2,46,16,606	3,72,33,406
V	Profit/(Loss) before exceptional and extraordinary items and Tax	(III - IV)	13,67,857	-1,28,40,477
VI	Exceptional Items	18	-	5,14,609
VII	Profit/(Loss) before extraordinary items and tax (V - VI)		13,67,857	-1,33,55,086
VIII	Extraordinary Items		-	-
IX	Profit/(Loss) before tax (VII - VIII)		13,67,857	-1,33,55,086
X	Tax expense:			
	(1) Current tax		-1,50,000	-
	(2) Deferred tax		52,22,074	-
XI	Profit(Loss) from the year from continuing operations	(IX-X)	64,39,931	-1,33,55,086
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the year (XI + XIV)		64,39,931	-1,33,55,086
XVI	Earning per equity share:			
	(1) Basic		1	-1
	(2) Diluted		1	-1
<p><i>Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement</i> <i>This is the Profit & Loss Statement referred to in our Report of even date.</i></p>				
<p>FOR THACKER BUTALA DESAI CHARTERED ACCOUNTANTS FRN.: 11086W KUNJAN N. GANDHI, Partner Membership No. : 39195 MUMBAI DATED : 13th July, 2017</p>		<p>For Grand Foundry Ltd. Dhirajlal B.Jangla, Chairman Kiran D Jangla, Managing Director Priti Panchal, CFO</p>		

GRAND FOUNDRY LTD		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017	31.03.2017	31.03.2016
Cash Flow from Operating Activities		
Net Profit Before Tax & Extraordinary Items	1367857	(12840477)
Adjustments		
Depreciation	1649235	1981479
Loss on sale of asset	63147	-
Operating Profit Before Working Capital Charges	3080239	(10858998)
Adjustment for		
Interest and Finance Charges	1924206	1764961
Trade and other receivable	(56432548)	1348187
Trade and other payable	22899666	10455642
Cash Generated from Operations	(28528436)	2709792
Taxes Paid	(5072074)	-
Cash Flow before Extraordinary Items	(23456362)	2709792
Prior Period Income	-	-
Extraordinary Items	-	(514609)
Net Cash Flow from Operating Activities (a)	(23456362)	2195183
Cash Flow from Investing Activities		
(Increase) / Decrease in Investment	-	-
Sale/Purchase of Fixed Assets (Net)	5675000	-
Net Cash Flow from Investing Activities (b)	5675000	-
Cash Flow from Finance Activities		
Increase / (Decrease) in Unsecured Loans	19751214	(432442)
Interest and Finance Charges	(1924206)	(1764961)
Net Cash Flow from Financing Activities (c)	17827008	(2197403)
Net Cash & Cash Equivalents (a + b + c)	45644	(2220)
Opening Cash Balance	99537	101757
Closing Cash Balance	145181	99537

Notes :- a) Previous years figures are regrouped, re-classified and rearranged wherever necessary to make them comparable with the current years figures.

For And On Behalf of the Board
Dhirajlal B. Jangla Chairman

Kiran D. Jangla Managing Director
Priti Panchal, CFO

Mumbai

Dated : 13th July, 2017

AUDITORS REPORT

We have examined the above Cash Flow Statement of Grand Foundry Ltd. derived from Audited Financial Statements and the Books and records maintained by the Company for the year ended on 31st March 2017 and found the same in agreement therewith.

For Thacker Butal Desai
Chartered Accountants
FRN : 110864 W
Kunjan N.Gandhi, Partner
Membership No. 39195

Mumbai

Dated : 13th July, 2017

GRAND FOUNDRY LTD

Schedules Forming Integral Part of the Balance Sheet as at 31ST MARCH 2017

Schedule : 1 Share Capital

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	AUTHORIZED CAPITAL	-	-
	3,00,00,000 Equity Shares of Rs. 10/- each. (P.YR.3,00,00,000 Equity Shares of Rs.10/-each)	30,00,00,000	30,00,00,000
	100,000 15% Preference Shares of Rs. 10/- each	10,00,000	10,00,000
		30,10,00,000	30,10,00,000
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL	-	-
	1,04,30,000 Equity Shares of Rs.4/-each (includes 59,80,000 Equity Shares issued as Bonus shares of which 10,00,000 Equity Shares of which 10,00,000 Equity Shares allotted as Bonus Shares by capitalising general reserves in 1989-90;	4,17,20,000	4,17,20,000
	Total in ₹	4,17,20,000	4,17,20,000

Sr. No	Particulars	AS AT 31ST MARCH 2017		AS AT 31ST MARCH 2016	
		No. of shares	% of Holding	No. of shares	% of Holding
2(b)	Details of shareholders holding more than 5% equity Shares in the Company on reporting date:				
	UPTO 5000	6059196	58.09%	6059196	58.09%
	5001-10000	942671	9.04%	942671	9.04%
	10001-20000	778925	7.47%	778925	7.47%
	50001-100000	1007395	9.66%	1007395	9.66%
	100001-9999999	769973	7.38%	769973	7.38%

Schedule : 2 Reserve & Surplus

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	Capital Reserve	71,99,500	71,99,500
2	Capital Redemption Reserve	11,000	11,000
3	Share Premium reserve	46,71,500	46,71,500
4	Debenture Redemption Reserve	8,82,000	8,82,000
5	Profit and Loss Account :		
	Balance brought forward from previous year	-12,53,40,130	-11,19,85,044
	Add: Profit/(Loss) for the period	64,39,931	-1,33,55,086
		-11,89,00,199	-12,53,40,130
	Total in ₹	-10,61,36,199	-11,25,76,130

Schedule : 3 Long Term Borrowings

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	Term Loan -Unsecured	-	-
	- From Promotors	10,24,66,796	7,59,66,308
	- Zenith Ltd	24,00,000	24,00,000
	Term Loan -Secured	-	-
	CAR LOAN	6,09,317	9,11,515
	Total in ₹	10,54,76,113	7,92,77,823

Schedule : 3-A Advances from customers

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	D H EXPORTS PVT LTD	4,99,998	-
2	Subvijay International Pvt Ltd	-	17,25,000
	Total in ‘	4,99,998	17,25,000

Schedule : 4 Trades Payable

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	-Sundry Creditors for Materiel/Supplies	3,32,75,550	86,99,917
2	-Sundry Creditors for Services	18,89,431	35,16,192
	Total in ‘	3,51,64,981	1,22,16,109

Schedule : 5 Other Current Liabilities

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	Sales Tax Payable	95,72,038	95,72,038
2	Central Excise Duty Payable	12,91,356	13,91,356
3	TDS -Professional Fees	10,251	16,400
4	TDS - RETAINERSHIP FEES	100	500
5	Vat Payable F.Y.2015-16	-	5,523
6	Income tax payable	1,50,000	-
	Total in ‘	1,10,23,745	1,09,85,817

Schedule : 6 Short Term Provisions

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
	Others	-	-
1	Audit Fees Payable	1,59,443	1,60,043
2	Salary Payable	49,472	1,36,006
	Total in ‘	2,08,915	2,96,049

GRAND FOUNDRY LTD

Schedules Forming Integral Part of the Balance Sheet as at 31ST MARCH 2017

Schedule : 7 Fixed Asset

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2016	Addition during the year	Deduction during the year	As at 31.03.2017	As at 01.04.2016	Adjustment of Depreciation	Addition during the year	Deduction during the year	As at 31.03.2017	As at 01.04.2016
	TANGIBLE ASSETS										
1	Plant & Machinery	Rs. 9,72,08,948	Rs. -	Rs. 76,07,104	Rs. 8,96,01,844	Rs. 5,63,76,924	Rs. -	Rs. 10,36,780	Rs. 18,68,957	Rs. 5,55,44,747	Rs. 4,21,21,520
2	Furniture & Fixtures	Rs. 17,88,000	Rs. -	Rs. -	Rs. 17,88,000	Rs. 9,08,730	Rs. -	Rs. 2,27,642	Rs. -	Rs. 11,36,372	Rs. 11,86,439
3	Motor Car	Rs. 40,50,664	Rs. -	Rs. -	Rs. 40,50,664	Rs. 8,87,938	Rs. -	Rs. 3,84,813	Rs. -	Rs. 12,72,751	Rs. 35,47,539
	TOTAL [I + II] (Current Year)	10,30,47,612	-	76,07,104	9,54,40,508	5,81,73,592	-	16,49,235	18,68,957	5,79,53,870	4,68,55,498
	(Previous Year)	10,30,47,612	-	-	10,30,47,612	5,61,92,114	-	19,81,478	-	5,81,73,592	4,68,55,498

GRAND FOUNDRY LTD

Schedules Forming Integral Part of the Balance Sheet as at 31ST MARCH 2017

Schedule : 8 Trade Receivables

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	<u>Outstanding for more than six months</u>	-	-
	a) Secured, Considered Good :	33,723	33,723
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	<u>Others</u>	-	-
	a) Secured, Considered Good :	1,32,40,303	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Total in ₹	1,32,74,026	33,723

Schedule : 9 Cash & Cash Equivalent

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	<u>Cash-in-Hand</u>	-	-
	Cash Balance	16,730	63,526
	Sub Total (A)	16,730	63,526
2	<u>Bank Balance</u>	-	-
	With ICICI Bank	859	16,865
	With Indian Overseas Bank	1,27,592	19,146
	Sub Total (B)	1,28,451	36,011
	Total [A + B]	1,45,181	99,537

Schedule :10 Short Terms Loans and Advance

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
		Rs	Rs
1	Loans & Advances to related parties		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	2,00,000	-
	c) Doubtful	-	-
2	Advance Recoverable in cash or in kind or for value to be considered good		
	Advance to Suppliers	-	2,09,427
	Advance to Staff	67,000	60,000
	Advance Income Tax/Refund Due	1,59,654	59,654
	Prepaid Expenses	21,981	44,456
	Vat Refundable F.Y.2016-2017	10,87,452	-
	Total in ₹	15,36,087	3,73,537

Schedules Forming Part of the Profit & Loss Accounts as at 31ST MARCH 2017

Schedule : 11 Revenue from Operations

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	Local Sales	2,46,83,353	2,24,13,910
	Total in ₹	2,46,83,353	2,24,13,910

Schedule : 12 Other Income

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	Other Receipts	11,50,000	1,50,000
2	Sundry Dr/Cr. Bal. W/back	-	18,13,474
3	Interest Reced from Income Tax	-	15,545
4	sale of spares & consumables parts machinery	1,51,110	-
	Total in ₹	13,01,110	19,79,019

Schedule : 13 Consumption of Raw Materials & Stores

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	LOCAL PURCHASES	5,04,87,810	2,23,03,427
	Less: Closing stock	4,20,29,695	-
	Total in ₹	84,58,115	2,23,03,427

Schedule : 14 Employment Benefit Expenses

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	Salary	12,67,431	26,05,337
2	Bonus	1,40,000	-
3	Contribution to Provident Fund	-	11,565
	Total in ₹	14,07,431	26,16,902

Schedule :15 Financial Cost

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	Interest on Debentures	18,10,762	16,24,554
2	Bank Charges	14,101	9,571
3	Interest on Car Hire	99,343	1,30,836
	Total in ₹	19,24,206	17,64,961

Schedule : 16 Other Expenses

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
A)	Direct Expenses		
1	Packing, Freight & Forwarding	-	430
2	Electricity Chgs	22,29,299	38,65,759
	Sub-total (a)	22,29,299	38,66,189
B)	Administrative Expenses		
1	Telephone Expenses(Including Postage)	4,39,558	3,78,866
2	Car Expenses (Including Insurance)	3,31,415	5,26,052
3	Conveyance Expenses	1,10,912	87,001
4	Travelling Expenses (Including Foreign Travelling)	19,32,830	20,08,306
5	Repair & Maintenance Others	51,860	470
6	Repair & Maintenance Office Equipment	50,955	3,410
7	General Expenses	28,847	45,880
8	Insurance Expenses	59,198	-
9	Internet & Website Expenses	36,805	31,178
10	Legal Expenses	58,274	1,16,466
11	Courier Charges	23,209	4,081
12	Professional Charges	8,33,067	2,08,599
13	Canteen Expenses	1,16,720	83,648
14	Medical Expenses	34,815	83,806
15	Books & Periodicals	5,321	7,624
16	Diwali Gift	25,200	-
17	Stationery Expenses	71,807	78,848
18	Auditors Remuneration--Audit Fees	45,600	45,600
19	Tax Fees	22,800	22,800
20	Sales Promotion Expenses	1,37,166	1,83,269
21	Membership & Subscription	15,399	41,695
22	Directors Club Expenses	1,64,603	1,59,347
23	Donation	-	151
24	Sales tax paid	612	5,318
25	Retainership fees	4,00,000	3,34,000
26	Gratuity	34,750	25,000
27	Sundry Dr/Cr.Bal.W/off	36,24,449	2,19,032
28	Loss on Sale of machinery	63,147	-
29	Listing Fees	2,29,000	-
	Sub-total (b)	89,48,319	47,00,448
	Total in ₹	1,11,77,618	85,66,637

Schedule : 17 Exceptional Items

Sr. No	Particulars	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
1	Interest/Penalty	-	3,18,090
2	Prior Year Expenses	-	1,96,519
	Total in ₹	-	5,14,609

1 **Accounting Policies**

(a) Method of accounting

The financial statement are prepared on accrual basis under the historical cost conventions.

(b) Fixed Assets

Fixed Assets are stated at cost less depreciation. Depreciation is provided on Written Down Value method, and Straight Line Method basis for some assets, as per the Schedule II of the Companies Act 2013

(c) Borrowing Cost

Borrowing cost include interest, fees and other charges incurred in connection with the borrowing of funds and is considered as revenue expenditure for the year in which it is incurred except for borrowing costs attributed to the acquisition / improvement of qualifying capital assets and incurred till the commencement of commercial use of the asset and which is capitalised as cost of the asset.

2 **In the opinion of the Board of Directors :-**

The Hon'ble BIFR has examined the DRS and circulated the same. In the hearing to be held in the month of November 2014, the order for the same would be passed and subject to the direction of BIFR, the paid up share capital of the Company of Rs. 104300000 consisting of 10430000 equity shares of Rs. 10/-each fully paid up shall be written off to Rs. 41720000 consisting of 10430000 equity shares of Rs. 4/- each by effecting a reduction of Rs.62580000 from the paid up capital of the company by Rs. 6/- per equity share of Rs.10/- each. Simultaneously with writing down of existing equity share capital of Rs. 1043 lacs by 60% through write of accumulated losses against face value of share and thus reduce Face Value of Share from Rs. 10 to Rs. 4. Therefore, fresh issue of equity shares of Rs. 600 lacs (150 lacs shares at Rs. 4 per share) to the promoters for expansion of business. And subject to the approval of this scheme of Rehabilitation and subject to the direction of BIFR, the BSE/NSE to open the trading which has been suspended by the stock exchanges and also to list the further issued capital as provided in the scheme.

SECURITY EXCHANGE BOARD OF INDIA (SEBI) to consider :

To grant exemption to the company from the provisions of SEBI Guidelines for Preferential Allotment of Shares, SEBI (Substantial Acquisition of shares & Takeovers) Regulations, 1997, SEBI (Disclosure & Investor Protection) Guidelines ,2000, SEBI (Central Listing Authority) Regulations,2003 and ceiling on promoters holding and any other applicable Rules and Regulations for the issue of equity shares to the Promoters as envisaged under the Scheme, provided such equity shares shall be locked in for a period of three years in case allottees are non-promoters.

NATIONAL STOCK EXCHANGE/BOMBAY STOCK EXCHANGE to consider :

Stock Exchange(s) on which the shares of the company are listed shall :

- i) Revoke the suspension of trading of the equity shares forthwith and list the reduced shares as well as shares allotted in terms of the sanctioned scheme without any cost of charges;
- ii) Exempt the Company from the provisions of the Companies Act, SEBI Guidelines and the listing requirements
- iii) Waive listing fees and other arrears including interest and penalties ; and
- iv) Allow trading of shares

3 Additional information pursuant to Part II of the Schedule

A. * Capacity

Class of Goods	Unit	Current Year		Previous Year	
		Licensed Capacity	Installed Capacity	Licensed Capacity	Installed Capacity
Machine Tools	Tonnes	13500	13500	13500	13500

Bright Bar Shafting

* As certified by the Director.

B. Actual Production: Including Production of Job Work and exclusive of production out of rejected materials)

	Unit	Quantity	Quantity
Bright Bars & Shafts	Tonnes	0	0
As Jobwork	Tonnes	0	0

(A) OPENING STOCK -IN TRADE	CURRENT YEAR		PREVIOUS YEAR	
	QTY IN TONS	VALUE (RS.)	QTY IN TONS	VALUE (RS.)
STEEL BARS	-	-	-	-
	-	-	-	-

	CURRENT YEAR		PREVIOUS YEAR	
(B) PURCHASES	QTY IN	VALUE (RS.)	QTY IN	VALUE (RS.)
STEEL BARS	395.011	53012203	-	-
	395.011	53012203	-	-
(C) SALES	QTY IN	VALUE (RS.)	QTY IN	VALUE (RS.)
STEEL BARS	139.16	25917029	-	-
	139.16	25917029	-	-
D) CLOSING STOCK	QTY IN	VALUE (RS.)	QTY IN	VALUE (RS.)
STEEL BARS	255.851	42029695	-	-
	255.851	42029695	-	-
C. Expenditure in Foreign Currency:		1009346		1280047
TOTAL		1009346		1280047
D. Earning in Foreign Currency :-	Current Year		Previous Year	
	Nil		Nil	

4 **Details of Transaction in specified notes**

Cash on hand as on 08.11.2016 is NIL; Transaction in specified notes during the period 08.11.2016 to 30.12.2016 is NIL.

5 Previous years figures are regrouped, re-classified and rearranged wherever necessary to make them comparable with the Current years figures.

6 Details relating to balances due to S.S.I. units are not readily available and thus not shown.

7 Related Party Disclosures :

The disclosures pertaining to the related parties as required by the Accounting Standard As-18 Issued by the Institute of Chartered Accountants of India, as applicable, are indicated below :

(i) Other related parties like Associates

- > K.M.Properties Ltd
- > Dhiraj Alloy & Stainless Steel Pvt.Ltd.*(previously known as Dhiraj Mercantile Pvt. Ltd.)

(ii) Key Management Personnel

- > Mr. Kiran D. Jangla Managing Director
- > Mr. Hiten D. Jangla, Jt. Managing Director

* Indicate no transactions during the year with these related parties.

	Current Year	Previous Year
8 Earning Per Share		
a) Weighted average number of shares at the beginning and end of the year	10430000	10430000
b) Net Profit / (-) Loss after Tax available for Equity Shareholders	6439931	-13355086
c) Basic and Diluted Earnings per share (Rupees)	0.62	(1.28)
d) Balance dues from Sundry Debtors and advances given are subject to confirmation.		

PART IV

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

I) Registration Details

Registration No: State Code :
 Balance Sheet date :

II) Capital Raised during the year (Amount in RS. Thousands)

Public Issue	Right Issue
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>
Bonus Issue	Private Placement
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>

III) Position of Mobilisation and Deployment of Funds

(Amount in RS. Thousands)

	Total Liabilities	Total Assets
	94,472	94,472
Sources of Funds		
	Paid-Up Capital	Reserve & Surplus
	41,720	12,764
	Secured Loans	Unsecured Loans
	609	104,866
Application of Funds		
	Net Fixed Assets	Investments
	37,487	0
	Net Current Assets	Deferred Tax
	10,587	(5,534)
	Accumulated Losses	
	(118,900)	

iv) Performance of Company (Amount in RS. Thousands)

Turnover & Jobwork	Total Expenditure
24,683	21043
Profit/(Loss) Before Tax	Profit/(Loss) After Tax
1,368	6,440
Earning per share in Rs	Dividend Rate:
-	NIL

v) Generic Names of Three Principal / Services of Company (as per monetary terms)

Item Code No 722220

(ITC Code)

Productin Description :- STAINLESS STEEL BRIGHT BARS

As per our attached Report of even date

For THACKER BUTALA DESAI

Chartered Accounts

FRN : 110864 W

Kunjan N Gandhi , Partner

Membership No. 39195

Mumbai

Date : 13th July, 2017

For And On Behalf of The Board

Dhirajlal B.Jangla, Chairman

Kiran D Jangla, Managing Director

Priti Panchal, CFO

Mumbai

Date : 13th July, 2017

GRAND FOUNDRY LIMITED
Registered Office: 327, 3rd Floor, Arun Chambers, Tardeo Mumbai - 400034
Tel No. 022-23526317 CIN No. L99999MH1974PLC017655 •website: www.gfsteeel.co.in

PROXY FORM – MGT 11

Name of the Member (s):
Registered Address:
Email id:
Folio No./Client Id/ DP ID:

I / We being a member(s) of GRAND FOUNDRY LIMITED shares of the above named company, hereby appoint

1. Name:.....Address:.....
E-mail id:..... Signature:.....or falling him/her
2. Name:.....Address:.....
E-mail id:..... Signature:.....or falling him/her
3. Name:.....Address:.....
E-mail id:..... Signature:.....or falling him/her

as my/our Proxy to attend and vote (on poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on **29th day of September, 2017 at 10.00 A.M at Gold Coins, 6- Arun Chambers, Next To A/C Market, Tardeo Road, Mumbai-400034** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. no.	Resolutions
1	Adoption of the Financial Statements and Reports thereon for the year ended March 31, 2017
2	Re-appointment of Shri. Kiran Jangla who retires by rotation
3	Appointment of M/s Thaker Butala Desai, Chartered Accountants as Statutory Auditors of the company and to fix their remuneration.
	Special Business – Ordinary Resolution
4	Appointment of Smt Minal Jangla as a Director of the Company

Signed this _____ day of _____ 2017.

Signature of the Shareholder

Signature of the proxy holder(s)

**Affix
Re. 1.00**

Note:

- 1) This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

GRAND FOUNDRY LIMITED

**Registered Office: 327, 3rd Floor, Arun Chambers, Tardeo Mumbai - 400034
Tel No. 022-23526317 CIN No. L99999MH1974PLC017655 •website: www.gfsteel.co.in**

ATTENDANCE SLIP
25TH ANNUAL GENERAL MEETING

DP ID – Client ID / Folio No.	
Name & Address of Sole Member:	
No of Shares held	

I certify that I am a member / proxy of the Company

I hereby record my presence at the 25th Annual General Meeting of the Company, to be held on 29th day of September, 2017 at 10.00 A.M at **Gold Coins, 6-Arun Chambers, Next To A/C Market, Tardeo Road, Mumbai-400034**

Member's / Proxy's Signature

If undelivered, please Return to:
GRAND FOUNDRY LIMITED
327, 3rd Floor, Arun Chambers,
Tardeo Mumbai - 400034.