

Gorani Industries Ltd.



**XXIInd Annual Report
2016-17**



Gorani Industries Ltd.

Board of Directors

Anil Gorani	Whole Time Director
Sanjay Gorani	Managing Director
Nakul Gorani	Whole Time Director
Shyam Sunder Jhavar	Independent Director
Sandeep Kumar Jain	Independent Director

Komal Motwani

Independent Woman Director

Auditor

M/s. B.D. Sharda & Co.
Chartered Accountants.

Chief Financial Officer

Chandra Shekhar Sharma

Bankers

Central Bank of India
Siyaganj, Indore

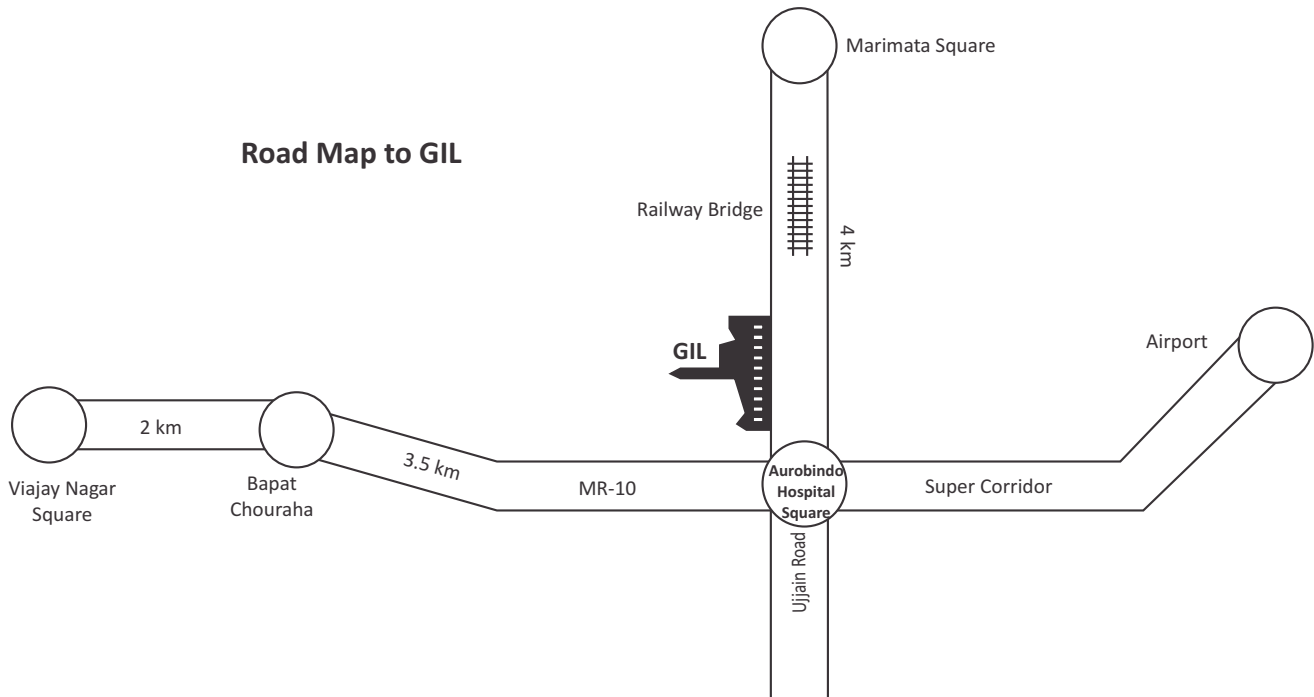
Company Secretary

Suruchi Maheshwari

Registered Office

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
INDORE - 452 015 (M.P.)
CIN - L28121MP1995PLC009170
GSTIN - 23AAACG6274B122

Road Map to GIL





NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Second Annual General Meeting of the members of the Company Gorani Industries Limited will be held at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore on Friday, the 29th day of September, 2017 at 12:00 Noon to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31st, 2017, the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Nakul Gorani (Holding DIN: 06543317), Whole Time Director, who retires by rotation and being eligible, offers himself for reappointment.
3. Appointment of Auditors and fixing of remuneration thereon:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) thereto or re enactment thereof for the time being in force), consent of the members be and is hereby accorded for the appointment of Statutory Auditor M/s. Sneha Sarda & Company, Chartered Accountants, bearing Firm Registration No. 014579C in place of M/s. B.D. Sharda & Co., the retiring Auditor of the company, to hold the office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting subject to ratification by members at every Annual General Meeting, at such remuneration as may be decided by Shri Sanjay Gorani (Holding DIN- 00055531), Managing Director in consultation with the Auditors plus applicable taxes and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS:

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

"RESOLVED THAT subject to the provisions of Section 188, 196, 197,198 and other applicable provisions of the Companies Act, 2013, if any, read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to re- appoint Mr. Anil Gorani (Holding DIN- 00055540) as the Whole time Director of the Company for a period of 3 years w.e.f 1st April, 2017 to 31st March, 2020 on a monthly remuneration of Rs. 50,000.00 (Rupees Fifty Thousand Only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Whole Time Director of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Anil Gorani."

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

"RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals, permissions as may be required, consent of the members of the company be



and is hereby accorded to enter into any contract and arrangements amounting to Rs. 5,00,00,000.00 (Rupees Five Crore only) per annum for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from M/s Gangotri Industries, a firm in which directors and relative of directors of the company are interested, for a period of three years i.e. 1st October, 2017 to 30th September, 2020 on such other terms and conditions as may be decided by the Whole Time Director of the company and agreeable to M/s. Gangotri Industries.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals, permissions as may be required, consent of the members of the company be and is hereby accorded to enter into any contract and arrangements amounting to Rs. 5,00,00,000.00 (Rupees Five Crore only) per annum for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from Blow Hot Kitchen Appliances Private Limited, a Private Limited company in which directors and their relatives of the company are interested, for a period of three years i.e. 1st October, 2017 to 30th September, 2020 on such other terms and conditions as may be decided by the Managing Director of the company and agreeable to the company Blow Hot Kitchen Appliances Private Limited.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and is hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

By Order of the Board
for Gorani Industries Limited

Date: 11th August, 2017
Place: Indore

Anil Gorani
Sd/-

(Holding DIN 00055540)
(Chairman cum Whole Time Director)

**NOTES :**

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a brief profile of Director seeking appointment/reappointment at ensuing Annual General Meeting is given:

Particulars	Sanjay Gorani	Anil Gorani
Date of Appointment	14/03/1995	14/03/1995
Qualifications	Mr. Sanjay Gorani (Holding DIN: 00055531) is a Post Graduate in M.A. (Economics).	Mr. Anil Gorani (Holding DIN: 00055540) is a graduate in B.E. (Electronics).
Expertise in specific functional areas	He has rich experience in marketing, operation and working of the company and is being associated with the Company since its inception.	He has more than 30 years experience in the field of steel engineering industry, production and promotion of products.
Relationship with Directors	None	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL
Number of shares held in the Company (in case of non executive director)	NA	NA



3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY EIGHT hours before the commencement of the AGM.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution pursuant to Section 113 of Companies Act, 2013 authorizing their representative to attend and vote on their behalf at the Meeting.

In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

4. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No.
5. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company Provided that not less than three days notice in writing is given to the Company.

6. Relevant documents referred to in the notice are available for inspection at the Registered Office of the Company on all working days, except Saturdays, Sun days and other holidays between 2.00 P.M. to 4.00 P.M. up to the date of the Annual General Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Registers of Contracts or Arrangements in which the Directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd day, the September, 2017 (Saturday) to 29th day, the September, 2017 (Friday) (Both days inclusive).
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar and Share Transfer Agents of the Company i.e. M/s Link Intime India Private Limited.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are having demat accounts. Members holding shares in physical form are requested to submit PAN details to the Company/Registrar.



12. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s Link Intime India Private Limited (Registrar and Transfer Agent) for assistance in this regard.
13. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
14. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.
15. Members are requested to quote their Folio Number / Demat Account Number and contact details such as email address, contact number and complete address in all correspondence with the Company/Company's Registrar.
16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.goraniindustries.com (under 'Investors' section). Members holding shares in physical form may submit the same to Link Intime India Private Limited.
17. Members holding shares in electronic form may submit the same to their respective depository participant.
18. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.goraniindustries.com.
19. Government of India in Ministry of Corporate Affairs has announced "Green initiative in the Corporate Governance" by permitting the Companies to send the Balance Sheet, Profit & Loss Account, Boards' Report, and Auditors' Report etc. to their members through email instead of sending physical copies. Members are requested to support the Green Initiative by the Government and get their email addresses registered with their Depository Participants in case of shares held in demat form and with the Company/Link Intime India Private Limited (Registrars) in case of shares held in physical form.
20. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 22nd Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 22nd AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.



The Board of Directors of the Company has appointed Manish Jain & Co., Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed September 22, 2017 (Friday) as the 'Cut-off Date'. The remote e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. September 22, 2017 only.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Tuesday on 26th September, 2017 at 9.00 A.M. and ends on Thursday on 28th September, 2017 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2017 (Friday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <GORANI INDUSTRIES LIMITED> on which you choose to vote.
- xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- I. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on 28th September, 2017. Members holding shares in physical or in demat form as on 22nd September, 2017 shall only be eligible for e-voting.
- II. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22nd September, 2017.
- III. CS Manish Jain, Practicing Company Secretary (Membership No: FCS 4651 CP No: 3049) (Address: 219, President Tower, 6/2 South Tukoganj, Madhumilan Square, Indore (M.P.)-452001) has been appointed as the scrutinizer to conduct the e-voting process.
- IV. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company goraniindustries.com and on the website of CDSL. The results shall simultaneously be communicated to BSE Limited where the shares of the Company are listed.



- V. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make out a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- VI. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- VII. You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

Contact Details :

Company	Gorani Industries Limited Registered Office: Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore-452015 (M.P.) Tel No: 0731-2723201-3 Email id: gorani.industries@yahoo.com CIN: L28121MP1995PLC009170
Registrar and Share Transfer Agent	M/s Link Intime India P. Ltd. C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083 Tel: 022- 49186000, Fax: 022- 49186060 Email Id: rnt.helpdesk@linkintime.co.in
E-voting Agency	Central Depository Services (India) Ltd Email id: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Manish Jain Practicing Company Secretary Email Id: manishjainandco@yahoo.com

Statement to be annexed with the notice under Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Statements set out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice dated 11th August, 2017.

ITEM NO. 4

Mr. Anil Gorani (Holding DIN-00055540) is director of the Company since last 22 years. Mr. Anil Gorani is a graduate in B.E. electronics and has more than 30 years of experience in the field of steel engineering industry, production and promotion of products. Keeping in view his untiring effort in increasing sales turnover and rich experience in Management and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 22nd March, 2017 approved the re-appointment of Mr. Anil Gorani (Holding DIN-00055540) as the Whole time Director of the Company for a period of 3 years w.e.f 1st April, 2017 to 31st March, 2020 on the monthly remuneration of Rs. 50,000.00 (Rupees Fifty Thousand only) on the terms and conditions set out in this resolution.

The broad information pursuant to Section – II of Part – II of Schedule V of the Companies Act, 2013, in respect of the resolution specifies in item no. 4 are as under:

I. General Information

1. The company is in the business of production and sales of Kitchen and Home appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot.
2. Date of commencement of commercial production: The commercial production of the company has already been started.
3. The Company is not a new company hence this clause is not applicable.

**4. Financial Performance:**

Particulars	Year ended on 31/03/2017	Previous Year ended on 31/03/2016
Sales (Net of Excise Duty)	7,30,11,482.00	5,80,17,842.00
Other Income	5,91,099.00	63,172.00
Gross profit	53,66,930.00	36,98,366.00
Finance Cost	2,38,550.00	1,15,020.00
Depreciation	20,77,722.00	15,95,866.00
Exceptional Items (charged to P & L account)	0.00	0.00
Net profit before Tax	30,50,658.00	19,87,480.00
Provision for Tax- current Tax	0.00	0.00
Deferred Tax	0.00	0.00
Net Profit after Tax	30,50,658.00	19,87,480.00

5. The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

II. Information about the appointee:**1. Background**

Mr. Anil Gorani aged about 64 years, is a graduate in B.E. electronics and has more than 30 years of experience in the field of steel engineering industry, production and promotion of products and is being associated with the Company from inception. He has significantly contributed to its all round growth. The business of the company has grown many folds in his tenure.

2. A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration	Proposed remuneration w.e.f. 01/04/2017 (Rs.)
Basic Salary	50,000/- Per Month	50,000/- Per Month
Allowances and perquisites	As decided by Board from time to time	As decided by Board from time to time

3. Recognition and Awards: NIL

4. Job profile and his suitability – The terms and conditions as set out in this resolution. Subject to the superintendence, direction and control of the Board.

5. Remuneration proposed - As set out in the ordinary resolution in item no. 4. The remuneration to Whole Time Director has the approval of the Nomination and Remuneration Committee.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Anil Gorani, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Anil Gorani does not have any other pecuniary relationship with the Company, other than receipt of remuneration as a Whole Time Director. However, he holds 3,04,900 equity shares of the Company. Further, Mr. Anil Gorani is not related with any other managerial personnel of the company.

8. During the year Mr. Anil Gorani has attended 7 (Seven) Board Meetings of the Company.

9. Directorship in other companies

S. No.	Name of the Company
1.	Blow Hot Kitchen Appliances Private Limited
2.	Indore Paper Krafters Private Limited



III. Other Information:

1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.
3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within two to three years profit margin will increase.

IV. Disclosures:

1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes
2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: Not Applicable.

The Board of Directors recommends the resolutions for your approval as set out under item no. 4 as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Anil Gorani and his relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Item No. 5

As per Section 188 (1) of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rules, 2014 as amended from time to time, the Board of Directors of the Company at their meeting held on 11th August, 2017 has given their consent to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services for which prior approval has been granted by the Audit Committee under Section 177 of the Companies Act, 2013 and rules made thereunder. Further, first proviso to sub section (1) of Section 188 read with rules made thereunder provides that, if the company exceeds the prescribed criteria, prior approval of members by way of ordinary resolution is required to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services.

Our Company may exceed the prescribed criteria provided in first proviso to sub section (1) of section 188 read with rules made thereunder, it is therefore necessary to pass an ordinary resolution under Section 188 of the Companies Act, 2013, for entering into any contract or arrangements for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from M/s. Gangotri Industries, a firm in which the directors of the company and their relatives are interested, for a period i.e. 1st October, 2017 to 30th September, 2020, amounting to Rs. 5,00,00,000.00 (Rupees Five Crore Only) per annum.

The following particulars of the above mentioned Related Party Transactions are:

- a) Name of Related Party- M/s. Gangotri Industries.
- b) Name of the Director or KMP who is related, if any- Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director of the Company.
- c) Nature of relationship-A Firm in which Mr. Narendra Gorani, a relative of Director is proprietor.
- d) Nature, Material, terms, monetary value and particulars of Contract or arrangement- sale, purchase or supply of any goods or materials, availing or rendering of any services for a period commencing from 1st October, 2017 to 30th September, 2020, amounting to Rs. 5,00,00,000.00 (Rupees Five Crore Only) per annum.
- e) Any other information relevant or important for the members to take decision on the proposed resolution- Nil

The Board of Directors of the Company recommends the Resolution set out at Item No. 05 for passing by members as ordinary resolution.

Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director and their relatives, are concerned or interested in the resolution. No any other directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

**Item No. 6**

As per Section 188 (1) of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rules, 2014 as amended from time to time, the Board of Directors of the Company at their meeting held on 11th August, 2017 has given their consent to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services for which prior approval has been granted by the Audit Committee under Section 177 of the Companies Act, 2013 and rules made thereunder. Further, first proviso to sub section (1) of Section 188 read with rules made thereunder provides that, if the company exceeds the prescribed criteria, prior approval of members by way of ordinary resolution is required to enter into contract or arrangement with the related party for sale, purchase or supply of any goods or materials, availing or rendering of any services.

Our Company may exceed the prescribed criteria provided in first proviso to sub section (1) of section 188 read with rules made thereunder, it is therefore necessary to pass an ordinary resolution under Section 188 of the Companies Act, 2013, for entering into any contract or arrangements for sale, purchase or supply of any goods or materials, availing or rendering of any services to/from M/s. Blow Hot Kitchen Appliances Private Limited, a Private Limited company in which directors and their relatives of the company are interested, for a period i.e. 1st October, 2017 to 30th September, 2020, amounting to Rs. 5,00,00,000.00 (Rupees Five Crore Only) per annum.

The following particulars of the above mentioned Related Party Transactions are:

- a) Name of Related Party- Blow Hot Kitchen Appliances Private Limited.
- b) Name of the Director or KMP who is related, if any- Mr. Sanjay Gorani(Holding DIN: 00055531), Managing Director, Mr. Anil Gorani (Holding DIN: 00055540), Whole time Director and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Director of the Company.
- c) Nature of relationship- A Private Limited Company in which Directors and his relatives are member or director.

- d) Nature, Material terms, monetary value and particulars of Contract or arrangement- sale, purchase or supply of any goods or materials, availing or rendering of any services for a period commencing from 1st October, 2017 to 30th September, 2020, amounting to Rs. 5,00,00,000.00 (Rupees Five Crore Only) per annum.
- e) Any other information relevant or important for the members to take decision on the proposed resolution- Nil

The Board of Directors of the Company recommends the Resolution set out at Item No. 06 for passing by members as ordinary resolution.

Mr. Sanjay Gorani (Holding DIN: 00055531), Managing Director, Mr. Anil Gorani (Holding DIN- 00055540) and Mr. Nakul Gorani (Holding DIN- 06543317), Whole-Time Directors of the Company and their relatives, are concerned or interested in the resolution. No any other directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the resolution.

Further, the extent of shareholding of interested directors and promoters of the Company in Blow Hot Kitchen Appliances Private Limited is as follows:

S. No.	Name of the Director/ Promoter	Shareholding	Shareholding (in percentage)
1.	Mr. Sanjay Gorani	4810 equity shares	19.24%
2.	Mr. Anil Gorani	4350 equity shares	17.4%
3.	Mr. Nakul Gorani	2430 equity shares	9.72%
4.	Mr. Narendra Kumar Gorani	1710 equity shares	6.84%
5.	Mrs. Shanta Devi Gorani	2300 equity shares	9.2%
6.	Mrs. Hema Gorani	4500 equity shares	18%



Item No. 7

The existing Articles of Association (“AOA”) were based on the Companies Act, 1956 and several clauses / regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 which are no longer in force.

With the coming into force the Sections of the Companies Act, 2013 several regulations of the existing Articles of Association (“AOA”) of the Company require alteration or deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles of Association.

The Existing regulations of the Articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013. The modification in Articles of association is carried out to give effect to provisions of the Companies Act, 2013.

The Board of Directors of the Company recommends the Resolution set out at Item No.7 for passing by members as special resolution.

None of the directors of the Company, Key Managerial Personnel and their relatives is in any way concerned or interested financially or otherwise in the resolution.

Copy of the Articles of Association together with proposed new set of Article of Association is available for inspection at the registered office of the Company between 11:00 A.M. and 1:00 P.M. on all working days except Sunday and holidays up to the date of the Meeting.

By Order of the Board
for Gorani Industries Limited

Date: 11th August, 2017

Anil Gorani

Place: Indore

Sd/-

(Holding DIN 00055540)

(Chairman cum Whole Time Director)

**BOARD'S REPORT**

To,
The Members,
Gorani Industries Limited

Your Directors have great pleasure in presenting herewith the Twenty Second Annual Report of your Company together with the audited financial statement for the financial year ended on 31st March, 2017.

1. FINANCIAL RESULTS: (Amount in Lacs)

Particulars	2016-17		2015-16	
Total Revenue		736.03		580.81
Profit before Finance Cost, Depreciation & Amortization Expense	-	53.68	-	36.98
Less:				
Finance Costs	2.39		1.15	
Depreciation & Amortization expense	20.78	23.17	15.96	17.11
Net Profit/(Loss) before extra ordinary & exceptional items & tax	-	30.51	-	19.87
Tax Expense				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
Net Profit/ (Loss) after tax		30.51		19.87
Transfer to Reserve		0.00		0.00

The profit for the year is adjusted against the previous year's losses. During the year, there was no change in the nature of business of the Company.

2. PERFORMANCE AND THE STATE OF COMPANY AFFAIRS:

Your Company has achieved total revenue of Rs. 736.03 Lakh during the year ended 31st March, 2017 as against that of Rs. 580.81 Lakh during the previous year ended 31st March, 2016, with a rise of 26.72% as compared to previous year. The company has earned net profit of Rs. 30.51 Lakh during the financial year against net profit of Rs. 19.87 Lakh in the previous year.

The company is in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, Chimney; gas geyser

etc., legendary products of the Company carrying the brand name of Blowhot and Online reflects the sophistication of the products and the reliability as well as exquisite look. It does its business through a strong network of dealer and distributors all over central, south and north India. The company is in the process of implementing strategies to capitalize available opportunities.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. TRANSFER TO RESERVE, IF ANY

During the year, the Company does not propose to transfer any amount to the any Reserve.

4. DIVIDEND:

To conserve the resources of the company and for better utilization of funds, your directors are not recommending any dividend for the year.

5. DIRECTORS AND KEY MANAGERIAL PERSONAL

Based on recommendation of Nomination and Remuneration Committee and Audit Committee, Mr. Anil Gorani (Holding DIN: 00055540) was re-appointed as Whole-time Director in the Board Meeting held on 22nd March, 2017 for a period of three years w.e.f 1st April, 2017 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) subject to approval of members at this Annual General Meeting. Your Company has received a notice under Section 160 of the Companies Act, 2013 together with requisite deposit from a member proposing re-appointment of Mr. Anil Gorani (Holding DIN: 00055540) as Director on the Board of your Company. Necessary resolution seeking approval of the members for appointment of Mr. Anil Gorani as director has been incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Sanjay Gorani (Holding DIN- 00055531) was re-appointed as Managing Director in the Annual General Meeting held on 30th September, 2016 for a period of three years w.e.f 1st June, 2016 at remuneration of Rs. 1, 00,000/- (Rupees One Lakh Only) per month.



Mr. Nakul Gorani (Holding DIN-06543317) was appointed as Whole-time Director in the Annual General Meeting held on 30th September, 2016 for a period of three years w.e.f 1st June, 2016 at remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) per month.

During the year, Ms. Shivangi Gupta has resigned from the post of Company Secretary and Compliance officer w.e.f 8th June, 2016.

During the year, Ms. Nupur Lodwal was appointed w.e.f. 6th July, 2016 as Company Secretary later on she resigned from the post of Company Secretary and Compliance officer w.e.f 9th November, 2016. Ms. Suruchi Maheshwari was appointed as Company Secretary and Compliance officer of the Company w.e.f 14th December, 2016.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Sub-Section (6) of Section 149 of the Companies Act, 2013.

During the year there was no re-appointment of Independent Directors took place in the Company.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

RE-APPOINTMENT

As per the provision of Companies Act, 2013, Mr. Nakul Gorani (Holding DIN- 06543317) Whole Time Director) retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

6. NOMINATION AND REMUNERATION POLICY AND OTHER DETAILS:

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act. The Nomination and Remuneration Policy is annexed as **Annexure I**

The details of remuneration/sitting fee paid to Directors during the financial year are given in Form MGT 9, the Extract of Annual Return, annexed as Annexure IV to this Board's Report

There is no pecuniary relationship or transactions between the Company and the non-executive directors other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

7. AUDITORS AND THEIR REPORT

The tenure of appointment of M/s. B.D. Sharda & Co., Chartered Accountants as the auditor of the Company expires at this Annual General Meeting. Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, the existing auditors cannot be reappointed at the ensuing Annual General Meeting and the Board recommends the appointment of M/s. Sneha Sarda & Company, Chartered Accountants, as Statutory Auditors, to hold office for a period of five consecutive financial years from the conclusion of 22nd Annual General Meeting, subject to ratification of the appointment at every Annual General Meeting. They have furnished a written consent and certificate confirming their eligibility pursuant to the provisions of Section 139 & 141 of the Companies Act, 2013 and rules made thereunder.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. Except the Observation : That there was a delay in depositing the Provident Fund, ESIC dues for few months. Explanation : in this connection the board has explained that delay in filing was due to the error / technical issue in the concerned department site which was beyond control.

8. INTERNAL AUDITOR

M/s Navin Sapna & Co., Chartered Accountants (bearing firm registration no. 010507C) have been appointed as an Internal Auditor of the Company w.e.f 1st April, 2017 in the Board Meeting held on 30th May, 2017.



9. SECRETARIAL AUDIT:

M/s. Manish Jain & Co., Practicing Company Secretaries has been appointed to conduct the secretarial audit of the Company for the financial year 2017-18 in the Board Meeting held on 30th May, 2017.

The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith as **Annexure II** to this Report.

The report is self-explanatory and does not call for any further comments except

1. OBSERVATION:

During the period under review, the Company has delayed in filing the Environmental Audit Report for the Financial Year 2015-16.

EXPLANATION:

In this connection, the Board has explained that the Company has inadvertently delayed in filing the same. However, it has been submitted to the concerned authority.

2. OBSERVATION:

That there was a delay in depositing the Provident Fund, ESIC dues for few months.

EXPLANATION:

In this connection the board has explained that delay in filing was due to the error / technical issue in the concerned department site which was beyond control.

10. FORMAL ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors and the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

11. RELATED PARTY TRANSACTIONS

The Contracts or arrangements entered into by the Company are in accordance with provisions of Section 188 of the Companies Act, 2013 during the year under review and were in ordinary course of business and on arm's length basis.

There are no materially significant related parties transactions entered into by the Company, which may have a potential conflict with the interest of the Company at large. Further details have been given in the prescribed Form AOC-2 annexed herewith as **Annexure III**.

The policy on Related Party Transactions as approved by the Board may be accessed on Company's website at the link: <http://www.goraniindustries.com/investors/>

12. CORPORATE GOVERNANCE

Regulation 27 and Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

**13. MEETINGS****A. BOARD MEETINGS**

During the year 2016-2017, 8 (Eight) Board Meetings were held on 1st April, 2016, 30th May, 2016, 6th July, 2016, 1st August, 2016, 8th November, 2016, 14th December, 2016, 31st January, 2017, 22nd March, 2017.

Name of Director	No. of Board Meeting held	No. of Board Meeting attended	Attendance at last Annual General Meeting
Shri Sanjay Gorani	8	8	Yes
Shri Anil Gorani	8	7	Yes
Shri Nakul Gorani	8	6	Yes
Shri Shayam Sunder Jhawar	8	8	No
Shri Sandeep Kumar Jain	8	8	Yes
Ms. Komal Motwani	8	7	Yes

B. AUDIT COMMITTEE MEETING

During the financial year 2016-2017, 4 (Four) Audit Committee Meetings were held on 30th May, 2016, 30th July, 2016, 7th November, 2016 and 30th January, 2017.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shayam Sunder Jhawar	4	4
Shri Sandeep Kumar Jain	4	4
Ms. Komal Motwani	4	4

C. NOMINATION AND REMUNERATION COMMITTEE MEETINGS

During the financial year 2016-2017, 5 (five) meetings of the Nomination and Remuneration Committee was held on 28th May, 2016, 5th July, 2016, 10th December, 2016 and 21st March, 2017, 31st March, 2017.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Shayam Sunder Jhawar	5	5
Shri Sandeep Kumar Jain	5	5
Ms. Komal Motwani	5	5

D. STAKEHOLDER RELATIONSHIP COMMITTEE MEETINGS

During the financial year 2016-2017, 4 (Four) Stakeholder Relationship Committee Meetings were held on 28th April, 2016, 25th July, 2016, 15th October, 2016 and 14th January, 2017.

Name of Director	No. of committee Meetings held	No. of committee Meetings attended
Shri Sandeep Kumar Jain	4	4
Shri Shayam Sunder Jhawar	4	4
Ms Komal Motwani	4	4

14. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year no company have become or ceased to be its subsidiaries, joint ventures or associate companies.

15. EXTRACT OF ANNUAL RETURN

Extract of Annual Return, in Form MGT-9, for the Financial Year 2016-17 has been annexed with this report as Annexure IV.

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

The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the with Rule 8 of The Companies (Accounts) Rules, 2014 is given in Annexure V forming part of this report.

17. REMUNERATION RATIO AND OTHER DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors/ KMP of the Company are furnished in Annexure VI.



No employees in the Company have been paid remuneration in excess of the limits prescribed under section 197 of The Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. DISCLOSURES:

AUDIT COMMITTEE

The Audit Committee comprises of three Independent Directors namely Shri Sandeep Kumar Jain (Holding DIN- 03534578) (Chairman), Shri Shayam Sunder Jhawar (Holding DIN- 02424283) (member) and Ms. Komal Motwani (Holding DIN- 07302550) (member). All the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM

The Vigil Mechanism of the Company is in terms of Companies Act, 2013, to deal with instance of fraud and mismanagement, if any. Protected disclosures can be made by a whistle blower either personally or over telephone to the Chairman of the Audit Committee, which should be followed by a written communication. The Policy on vigil mechanism may be accessed on the Company's website at the link <http://www.goraniindustries.com/investors/>.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended on March 31, 2017 and of the profit of the Company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

21. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The company has framed the Risk Management Policy which highlights the Company's practices and risk management framework for the identification and management of uncertainty. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has implemented a Risk Management Framework for the management and oversight of material risks and internal control. The Risk Management Framework is designed to address risks that have been identified to have a material impact on the Company's business and to ensure that the Board regularly reviews the risk management and oversight policies.



22. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

The Company’s internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

The report on Internal Financial Control has also been annexed with the financial statements of the Company as provided by the Statutory Auditor of the Company.

23. EQUITY SHARES IN THE SUSPENSE ACCOUNT:

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2016	NIL	NIL
Shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL

Shareholders to whom shares were transferred from the suspense account during the year	NIL	NIL
Shareholders of Gorani Industries Limited to whom shares were allotted pursuant to the scheme of amalgamation	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2017	NIL	NIL

24. GENERAL

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

1. Details of particulars of loans, guarantees or investments under section 186.
2. Details relating to deposits covered under Chapter V of the Act.
3. Details about the policy developed and implemented by the company on corporate social responsibility initiatives.
4. Issue of equity shares with differential rights as to dividend, voting or otherwise.
5. Issue of shares (including sweat equity shares) to employees of the Company under any Employee Stock Option Scheme.
6. Neither the Managing Director nor the Whole-time Directors of the Company receive any commission.
7. Separate Section containing a Report on performance and Financial Position of each of Subsidiaries, Associated & Joint Ventures included in the Consolidated Financial Statement of the Company.



8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENT:

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, Share Holders, customers, staff and workers of the Company and thank them for their continued support.

By Order of the Board

Anil Gorani

Sd/-

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: August 11, 2017

Regd. Office :

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
Indore-452015 (M.P.)

ANNEXURE I**NOMINATION AND REMUNERATION POLICY****1. OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- i. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. **Board** means Board of Directors of the Company.
- iii. **Directors** mean Directors of the Company.
- iv. **Key Managerial Personnel** as per the Act.
- v. **Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE**i. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

ii. Policy for appointment and removal of Director, KMP and Senior Management**1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

2. Term / Tenure**a) Managing Director/Whole-time Director :**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director :

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

iii. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel**1. General:**

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.



2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel :

a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

4. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

5. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

6. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;



- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

7. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members of the Committee.
- to consider any other matters as may be requested by the Board.

**Form MR-3
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 of Managerial Personnel) Rules, 2014]

To,
The Members
Gorani Industries Limited
32-33, Sector-F
Sanwer Road, Indore
M.P. - 452015

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

Based on my verification of the Company Gorani Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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 the Company Gorani Industries 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;



iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 BSE Limited.

I further report that, having regard to the adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environment laws on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the following general laws applicable to the Company:

- i. Labour Laws
 - Payment of Bonus Act, 1965
 - Payment of Gratuity Act, 1972
 - Minimum Wages Act, 1948
 - Factories Act, 1948
 - Payment of Wages Act, 1936 and other applicable labour laws
- ii. Environmental Laws
 - Environment Protection Act, 1986 and other environmental laws

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

1. *During the period under review, the Company has delayed in filing the Environmental Audit Report for the Financial Year 2015-16.*
2. *During the period under review, the Company has delayed in depositing provident fund and ESI dues for few months.*

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 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.

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

Regarding financial, direct/indirect taxation, Statutory Audit matters which have been dealt by other professionals hence, these matters are not in the scope of our audit and no comments have been made on these matters.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential issue of shares / debentures/sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations, FDI etc.
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

Place: Indore

Date: 10/08/2017

Sd/-

CS Manish Jain

For Manish Jain & Co.

Company Secretaries

FCS No.4651

CP No.:3049



To,
The Members
Gorani Industries Limited
32-33, Sector-F
Sanwer Road, Indore
M.P. - 452015

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 future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Indore
Date: 10/08/2017

Sd/-
CS Manish Jain
For **Manish Jain & Co.**
Company Secretaries
FCS No.4651
C P No.:3049

**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis
 - a) Name(s) of the related party and nature of relationship: NIL
 - b) Nature of contracts/arrangements/transactions :NIL
 - c) Duration of contracts/arrangements/transactions: NIL
 - d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
 - e) Justification for entering into contracts or arrangements or transactions: NIL
 - f) Date(s) of approval by the board :NIL
 - g) Amount paid as advances, if any: NIL
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:NIL
2. Details of material contracts or arrangements or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nil
Nature of contracts / arrangements / transactions	Nil
Duration of contracts / arrangements/ transactions	Nil
Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
Date(s) of approval by the board	Nil
Amount paid as advances, if any	Nil

By Order of the Board

Anil Gorani

Sd/-

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place : Indore

Date : 11/08/2017

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st 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	L28121MP1995PLC009170
ii) Registration Date	14/03/1995
iii) Name of the Company	Gorani Industries Limited
iv) Category / Sub-Category of the Company	Public Company/Limited by shares
v) Address of the Registered office and contact details:	32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015 Tel: 0731-2723201-03
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India P. Ltd. C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083 Tel : 022- 49186000, Fax: 022- 49186060

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	LPG Stoves	2750	56.88%
2.	Steel Frame	2750	11.99%
3.	Rangehood (Chimney)	2750	22.54%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. 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)***l) 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	2291300	245000	2536300	46.64	2233900	0	2233900	41.08	(5.56)
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1)	2291300	245000	2536300	46.64	2233900	0	2233900	41.08	(5.56)
(2) Foreign									
a) NRIs – Individual s	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individual s	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	2291300	245000	2536300	46.64	2233900	0	2233900	41.08	(5.56)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	99500	0	99500	1.83	99500	0	99500	1.83	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	99500	0	99500	1.83	99500	0	99500	1.83	0.00



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	
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	847384	5500	852884	15.68	848525	5500	854025	15.70	0.02
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	124649	1189000	1313649	24.16	183064	1349000	1532064	28.17	4.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	11900	620300	632200	11.63	11900	702800	714700	13.14	1.51
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing member	66	0	66	0.00	410	0	410	0.01	0.01
Non Resident Indians (Repat)	1500	0	1500	0.03	1500	0	1500	0.03	0.00
Hindu Undivided Family	1901	0	1901	0.03	1901	0	1901	0.03	0.00
Sub-total (B)(2)	987400	1814800	2802200	51.53	1047300	2057300	3104600	57.09	5.56
Total Public shareholding (B)= (B)(1)+(B)(2)	1086900	1814800	2901700	53.36	1146800	2057300	3204100	58.92	5.56
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	3378200	2059800	5438000	100.00	3380700	2057300	5438000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Narendra Kumar Gorani	801800	14.74	0	801800	14.74	0	0.00
2.	Sanjay Gorani	649300	11.94	0	649300	11.94	0	0.00
3.	Anil Gorani	304900	5.61	0	304900	5.61	0	0.00
4.	Shanta Devi Gorani	285200	5.24	0	285200	5.24	0	0.00
5.	Balkishan Gorani	150100	2.76	0	150100	2.76	0	0.00
6.	Manju Gorani	40100	0.74	0	40100	0.74	0	0.00
7.	Hema Gorani	2500	0.05	0	2500	0.05	0	0.00
8.	Sadhna Mandovra	25000	0.46	0	-	-	-	-



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
9.	Kiran Kavar Chordia	10000	0.18	0	-	-	-	-
10.	Harimohan Laddha	20000	0.37	0	-	-	-	-
11.	Rekhadevi Laddha	20000	0.37	0	-	-	-	-
12.	Dinesh Ajmera	17500	0.32	0	-	-	-	-
13.	Brijmohan Ladha	10000	0.18	0	-	-	-	-
14.	Manoj Kumar Jain	10000	0.18	0	-	-	-	-
15.	Pramod Kumar Agarwal	10000	0.18	0	-	-	-	-
16.	Vijay Jethani	10000	0.18	0	-	-	-	-
17.	Safiya Bai Jawadwala	7000	0.13	0	-	-	-	-
18.	Suresh Kumar Mohta	6000	0.11	0	-	-	-	-
19.	Kanta Maloo	5000	0.09	0	-	-	-	-
20.	Komal chand Jain	5000	0.09	0	-	-	-	-
21.	Koshalya Devi Wadhvani	5000	0.09	0	-	-	-	-
22.	Leena Dixit	5000	0.09	0	-	-	-	-
23.	Lokesh Wadhvani	5000	0.09	0	-	-	-	-
24.	Mohammad Afaq	5000	0.09	0	-	-	-	-
25.	Narendra Khatri	5000	0.09	0	-	-	-	-
26.	Omprakash Mittal	5000	0.09	0	-	-	-	-
27.	Padma Davi Dhamala	5000	0.09	0	-	-	-	-
28.	Quality Agencies	5000	0.09	0	-	-	-	-
29.	Saifuddin Chakera	5000	0.09	0	-	-	-	-
30.	Shivshankar Heda	5000	0.09	0	-	-	-	-
31.	Sita Devi Heda	5000	0.09	0	-	-	-	-
32.	Sumit Heda	5000	0.09	0	-	-	-	-
33.	Vijay Lalwani	5000	0.09	0	-	-	-	-
34.	Vishnumal Wadhvani	5000	0.09	0	-	-	-	-
35.	Asha Narang	4400	0.08	0	-	-	-	-
36.	Anand Bangur	5000	0.09	0	-	-	-	-
37.	Anis Jafri	2500	0.05	0	-	-	-	-
38.	Anwar Hussain	2500	0.05	0	-	-	-	-
39.	Brijlata Nawal	2500	0.05	0	-	-	-	-
40.	Dheeraj Jain	2500	0.05	0	-	-	-	-
41.	Dinesh Gupta	2500	0.05	0	-	-	-	-



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
42.	Firoza Sultana	2500	0.05	0	-	-	-	-
43.	Geetesh D Jain	2500	0.05	0	-	-	-	-
44.	Gyarsibai Khandelwal	2500	0.05	0	-	-	-	-
45.	H C Jain	2500	0.05	0	-	-	-	-
46.	Jagdishbhai Patel	2500	0.05	0	-	-	-	-
47.	Krishna Vashishtha	2500	0.05	0	-	-	-	-
48.	Laxmikanta Ajmera	2500	0.05	0	-	-	-	-
49.	Madhukar Rao	2500	0.05	0	-	-	-	-
50.	Najmuddin Saify	2500	0.05	0	-	-	-	-
51.	Nandkishore Gupta	2500	0.05	0	-	-	-	-
52.	Neena Devi Maheshwari	2500	0.05	0	-	-	-	-
53.	Neeraj Sureshkumar Jain	2500	0.05	0	-	-	-	-
54.	Pradeep Patel	2500	0.05	0	-	-	-	-
55.	Pushpanjali Maheshwari	2500	0.05	0	-	-	-	-
56.	Rajesh Gupta	2500	0.05	0	-	-	-	-
57.	Rakesh D Jain	2500	0.05	0	-	-	-	-
58.	Ramgopal Gupta	2500	0.05	0	-	-	-	-
59.	Sanjay Maheshwari	2500	0.05	0	-	-	-	-
60.	Sukaniyaben Patel	2500	0.05	0	-	-	-	-
61.	Suman Nawal	2500	0.05	0	-	-	-	-
62.	Usha Devi Vashishta	2500	0.05	0	-	-	-	-
63.	Vijay Kumar Puranik	2500	0.05	0	-	-	-	-
	Total	2536300	46.64	0	2233900	41.08	-	-

NOTE: The Company has reclassified its promoter's shareholding pursuant to Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Approval Letter from BSE dated 1st July, 2016.

In the beginning of the year i.e. as on 01st April, 2016 there were 63 promoters, but after reclassification the Company has only seven promoter's w.e.f. 1st July, 2016.

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Narendra Kumar Gorani	801800	14.74	801800	14.74
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	801800	14.74	801800	14.74
2.	Sanjay Gorani	649300	11.94	649300	11.94
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	649300	11.94	649300	11.94
3.	Anil Gorani	304900	5.61	304900	5.61
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	304900	5.61	304900	5.61
4.	Shanta Devi Gorani	285200	5.24	285200	5.24
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	285200	5.24	285200	5.24
5.	Balkishan Gorani	150100	2.76	150100	2.76
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	150100	2.76	150100	2.76
6.	Manju Gorani	40100	0.74	40100	0.74
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	40100	0.74	40100	0.74
7.	Hema Gorani	2500	0.05	2500	0.05
	Increase/Decrease in shareholding during the year	No change during the year			
	At the end of the year	2500	0.05	2500	0.05
8.	Sadhna Mandovra	25000	0.46	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
9.	Rekhadevi Laddha	20000	0.37	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
10.	Harimohan Laddha	20000	0.37	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
11.	Dinesh Ajmera	17500	0.32	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.	Manoj Kumar Jain	10000	0.18	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
13.	Vijay Jethani	10000	0.18	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
14.	Kiran Kavar Chordia	10000	0.18	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
15.	Pramod Kumar Agarwal	10000	0.18	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
16.	Brijmohan Ladha	10000	0.18	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
17.	Safiya Bai Jawadwala	7000	0.13	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
18.	Mohammad Afaq	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
19.	Kanta Maloo	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
20.	Saifuddin Chakera	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
21.	Anand Bangur	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
22.	Suresh Kumar Mohta	6000	0.11	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
23.	Sumit Heda	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
24.	Vijay Lalwani	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
25.	Narendra Khatri	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
26.	Sita Devi Heda	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
27.	Leena Dixit	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
28.	Padma Davi Dhamala	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
29.	Komalchand Jain	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
30.	Omprakash Mittal	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
31.	Shivshankar Heda	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
32.	Quality Agencies	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
33.	Vishnumal Wadhvani	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
34.	Koshalya Devi Wadhvani	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
35.	Lokesh Wadhvani	5000	0.09	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
36.	Asha Narang	4400	0.08	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
37.	Dheeraj Jain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
38.	Najmuddin Saify	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
39.	Gyarsibai Khandelwal	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
40.	Ramgopal Gupta	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
41.	Nandkishore Gupta	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
42.	Anis Jafri	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
43.	Firoza Sultana	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
44.	Suman Nawal	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
45.	H C Jain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
46.	Neeraj Sureshkumar Jain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
47.	Krishna Vashishtha	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
48.	Pradeep Patel	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
49.	Dinesh Gupta	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
50.	Sukaniyaben Patel	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
51.	Rajesh Gupta	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
52.	Sanjay Maheshwari	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
53.	Rakesh D Jain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
54.	Pushpanjali Maheshwari	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
55.	Laxmikanta Ajmera	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
56.	Vijay Kumar Puranik	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
57.	Madhukar Rao	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
58.	Neena Devi Maheshwari	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
59.	Geetesh D Jain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
60.	Jagdishbhai Patel	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
61.	Anwar Hussain	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
62.	Usha Devi Vashishta	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
63.	Brijlata Nawal	2500	0.046	-	-
	Increase/Decrease in shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

NOTE:

The Company has reclassified its promoter's shareholding pursuant to Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Approval Letter from BSE dated 1st July, 2016.

In the beginning of the year i.e. as on 01st April, 2016 there were 63 promoters, but after reclassification the Company has only seven promoter's w.e.f. 1st July, 2016.

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Online Appliances Limited				
	At the beginning of the year	840600	15.46	840600	15.46
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	840600	15.46	840600	15.46
2.	Pukhraj Soni				
	At the beginning of the year	189000	3.48	189000	3.48
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	189000	3.48	189000	3.48
3.	Madhya Pradesh Financial Corporation				
	At the beginning of the year	99500	1.83	99500	1.83
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	99500	1.83	99500	1.83
4.	Dinesh Kumar Maheshwari				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
5.	Ashok Kumar Daga				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
6.	Farokh Pavri				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
7.	Shirin Pavri				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	94500	1.74	94500	1.74
8.	Sadhna Mandovra				
	At the beginning of the year	25000	0.46	25000	0.46
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	25000	0.46	25000	0.46



Sl. No.	For each of the Top 10 Shareholders	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
9.	Rajendra Jain				
	At the beginning of the year	22800	0.42	22800	0.42
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	22800	0.42	22800	0.42
10	Rekhadevi Laddha				
	At the beginning of the year	20000	0.37	20000	0.37
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	20000	0.37	20000	0.37

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
A	Directors				
1.	Sanjay Gorani Managing Director	649300	11.94	649300	11.94
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	649300	11.94	649300	11.94
2.	Anil Gorani Whole Time Director	304900	5.61	304900	5.61
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	304900	5.61	304900	5.61
3.	Shayam Sunder Jhwar Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00
4.	Sandeep Kumar Jain Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00
5.	Nakul Gorani Whole Time Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6.	Komal Motwani Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00
B.	Key Managerial Personnel				
1.	Shivangi Gupta Company Secretary	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	Upto 08.06.2016	0	0.00	0	0.00
2.	Nupur Lodwal with effect from 06.07.2016 Company Secretary	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	Upto 09.11.2016	0	0.00	0	0.00
3.	Suruchi Maheshwari with effect from 14.12.2016 Company Secretary	0	0.00	0	0.00
4.	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00
5.	Chandrasekhar Sharma Chief Financial Officer	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2017	0	0.00	0	0.00

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	68,59,115.00	4,19,13,034.00	0.00	4,87,72,149.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	68,59,115.00	4,19,13,034.00	0.00	4,87,72,149.00
Change in Indebtedness during the financial year				
• Addition	0.00	0.00	0.00	0.00
• Reduction	(54,23,569.00)	(23,35,762.00)	0.00	(77,59,331.00)
Net Change	(54,23,569.00)	(23,35,762.00)	0.00	(77,59,331.00)
Indebtedness at the end of the financial year				
i. Principal Amount	14,35,546.00	3,95,77,272.00	0.00	4,10,12,818.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	14,35,546.00	3,95,77,272.00	0.00	4,10,12,818.00

Note: - Whatever interest has been due is paid and no interest is accrued but not due.**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
		Sanjay Gorani	Nakul Gorani	Anil Gorani	
1.	Gross salary	11,50,000.00	5,00,000.00	6,00,000.00	22,50,000.00
	(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	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total A.	11,50,000.00	5,00,000.00	6,00,000.00	22,50,000.00

Ceiling as per the Act As per Schedule V of the Companies Act, 2013 as amended from time to time.

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Shayam Sunder Jhawar	Sandeep Kumar Jain	Komal Motwani	
	• Fee for attending board / committee meetings				
	• Commission				
	• Others, please specify	3000.00	3000.00	3000.00	9000.00
	Total B (1)	3000.00	3000.00	3000.00	9000.00
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings				
	• Commission				
	• Others, please specify			---	—
	Total B(2)				
	Total (B)=B(1) +B(2)	3000.00	3000.00	3000.00	9000.00
	Total Managerial Remuneration				22,50,000.00
	Overall ceiling as per the Act	Sitting Fees paid is within the limits specified under the Companies Act, 2013.			

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Shivangi Gupta Company Secretary and Compliance Officer (Resigned with effect from 08/06/2016)	Nupur Lodwal Company Secretary and Compliance Officer (Resigned with effect from 09/11/2016)	Suruchi Maheshwari Company Secretary and Compliance Officer (Appointed with effect from 14/12/2016)	Chandrasekhar Sharma CFO	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,924.00	66,461.00	57,846.00	1,65,000.00	3,26,231.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4.	Commission -as % of profit - others, specify	0.00	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total	36,924.00	66,461.00	57,846.00	1,65,000.00	3,26,231.00



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			None		
Punishment			None		
Compounding			None		
B. DIRECTORS					
Penalty			None		
Punishment			None		
Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		



Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under section 134 of the Companies Act, 2013 read with rules the Companies (Accounts) Rules, 2014 are provided hereunder:

1. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

Our focus on the impact of our operations on climate change leads to our energy conservation strategy where we can best evaluate our performance through measurement of emission to the atmosphere.

- a. Additional power capacitors and power factor control equipments are installed to limit down demand.
- b. Changeover switch system has been employed to avoid electricity wastage.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy:

Due to effective steps already taken to conserve energy, there is no immediate scope.

Impact of above measures:

Efficient utilization of power and consumption of electricity per unit of production has decreased.

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars		Unit	2016-17	2015-16
a.	Electricity			
	Purchased unit	KWH	299860	340640
	Total amount	Rs.	3054972.00	2963460.00
	Rate per unit	Rs./KWH	10.19	8.70
b.	Own generation			
	Units	KWH	1850	2980
	Units/ Ltr. of Diesel	KWH	1.67	2.02
	Cost per Unit	Rs./KWH	36.71	26.23
	Electricity consumed	KWH	0.98	0.99

(ii) Steps taken by the company for utilising alternate sources of energy;

As there has been satisfactory power supply from the Electricity Board, there appears no scenario for such situation.

(iii) Capital investment on energy conservation equipments;

Due to adequate arrangement, existing there is no further requirement of such investment considering the estimated production in near future.

2. TECHNOLOGY ABSORPTION, REASERCH & DEVELOPMENT (R&D)

(i) Efforts made towards technology absorption

Company is manufacturing ISI-Certified Gas Geysers which have thermal efficiency of 82% plus, thereby reducing the carbon footprint compared to electric geyser by 40% resulting into environmental energy conservation and emission of carbon-di-oxide and carbon-mom-oxide like harmful gases.



(ii) The benefits derived like product improvement, cost reduction, product development or

import substitution. The team of Whole time director as supported by Managing Director have a vast experience of 30 years in the field of Kitchen wears ,has helped practically to understand the requirement of modified, improvised and more beautified user friendly product for which main customers are ladies, housewives, students. The continuous leaning and development process in last 10 years has helped to become safer, easy to handle products.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

(a) the details of technology imported

(b) the year of import;

(c) whether the technology been fully absorbed

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

No technology as such is imported. The practical experience gained in travelling to and fro China by the directors while their frequent trips to the country for understanding the needs of the customers has resulted into improvised technical durability of the product.

(iv) Expenditure on R&D:

So far as the current products namely LPG Stoves, Kitchen Chimney & Gas Geysers are concerned the minor technology specifications and beautifying modification have been obtained through the continuous manufacturing experience during last 10 years under the control of technical team headed by whole time technical director of the company. The ultimate object has been to make the above products more user (housewives) friendly from safety and handling point of view. Therefore relevant expenses have been absorbed by the yearly Income & Expenditure accounts.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO: (Amount in Rs.)

Particulars		2016-17	2015-16
a.	Earnings FOB value of exports Freight Charges	NIL	NIL
b.	Outgo Import Expenses	2,73,24,935	1,25,97,597

By **Order of the Board**

Sd/-

Anil Gorani

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: August 11, 2017

Regd. Office:

Plot No. 32-33, Sector F,

Sanwer Road, Industrial Area,

Indore-452015 (M.P.)

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- 1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director	Designation	Remuneration for F.Y. 2016-17 (Amount in Rs.)	Remuneration for F.Y. 2015-16 (Amount in Rs.)	Increase in remuneration from previous year	Percentage increase in remuneration from previous year	Ratio
Sanjay Gorani	Managing Director	11,50,000.00	8,50,000.00	3,00,000.00	35.29%	12.29
Anil Gorani	Whole Time Director	6,00,000.00	6,00,000.00	-	-	6.41
Nakul Gorani	Whole Time Director	5,00,000.00	-	5,00,000.00	100%	5.34
Shivangi Gupta	Company Secretary	36,924.00 (2 months 8 days)	64,000.00 (4 Months)	-	-	N.A.
Nupur Lodwal	Company Secretary	66,461.00 (4 months 3 days)	-	66,461.00 (4 months 3 days)	100%	N.A.
Suruchi Maheshwari	Company Secretary	57,846.00 (3 months 18 days)	-	57,846.00 (3 months 18 days)	100%	N.A.
Chandrasekhar Sharma	CFO	1,65,000.00	1,32,000.00	33,000.00	25.00%	N.A.

- 2) The median remuneration of employees of the Company during the financial year was Rs. 93,600/-
- 3) The median remuneration of employees was Rs. 93,600/- and Rs. 85,872/- for Financial year 2016-2017 and 2015-2016 respectively. The increase in median remuneration of employees for financial year 2017, as compared to financial year 2016 is 8.99%.
- 4) There were 111 permanent employees on the rolls of Company as on March 31, 2017;
- 5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 is 15.56%.
- 6) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees: No such components availed by the Directors.
- 7) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



8) Details of top ten employees of the Company:

Sr. No.	Name of the Employee	Designation of the Employee	Remuneration Received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above, and	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Chandra Shekhar Sharma	C.F.O.	165000	Contractual	M.Com 17Years	1-Aug-99	56 Yrs	Jayant Vitamins Ltd.	NIL	NA
2.	Nupur Lodwal	CS and compliance officer	66461	Contractual	CS 4 Months	7-Jul-16	22 Yrs	-	NIL	NA
	Suruchi Maheaswari	CS and compliance officer	57846	Contractual	CS 7 Months	14-Dec-16	23 Yrs	-	NIL	NA
3.	Vinod sharma	Production Incharge	141000	Contractual	B. Sc. 17 Years	15-Sep-00	54 Yrs	Super Steel Mfg Co.	NIL	NA
4.	Antony Paulose Joseph	Tool Room Incharge	141000	Contractual	Diploma in Mechanical Engineering 12 Years	13-Jul-05	57 Yrs	Super Steel Mfg Co.	NIL	NA
5.	Premnarayan Nagar	Paint Section Incharge	138000	Contractual	B. Com. 7 Years	11-Oct-09	49 Yrs	Super Steel Mfg Co.	NIL	NA
6.	Neelkanth Badve	Labour Officer	15900 0	Contractual	M. Com 21 Years	2-Sep-96	52Yrs	None	NIL	NA
7.	Mohammed Ahmed Khan	Dispatch Incharge	13500 0	Contractual	M.Com, LLB 21 Years	2-Sep-96	59Yrs	Modella Steel	NIL	NA
8.	A. Shushila Rao	Back Office Assistant	14400 0	Contractual	B.A. 17 Years	2-Sep-96	44Yrs	None	NIL	NA
9.	Subodh Laad	Purchase Manager	103260	Contractual	M.Com 16 Years	9-Sep-97	49 Yrs	None	NIL	NA
10.	Shailendra Yadav	Store Keeper	111600	Contractual	B. Com 16Years	16-Jul-97	42Yrs	None	NIL	NA

By Order of the Board

Sd/-

Anil Gorani

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: August 11, 2017

Regd. Office:

Plot No. 32-33, Sector F, Sanwer Road,
Industrial Area, Indore-452015 (M.P.)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Structure and Developments**

Changing household and commercial lifestyles, economical availability of electricity, rising concerns regarding eco-friendly appliances are expected to be the key drivers of the kitchen appliances market size. Development of e-commerce distribution channels, emergence of Information technology and other smart technologies will support the overall kitchen appliances market share from 2016 to 2023.

Environmental concerns regarding rising pollution and global warming has led to the development of appliances that are energy efficient. Technological advancements in accordance to this trend may help manufacturers garner huge gains over the forecast timeline. Moreover, regulatory bodies are expected to entertain such portfolio in the industry and may boost the current growth rate.

The company is in the business of production, manufacturing and dealing in Kitchen appliances and Kitchenware which is one such sector within the overall household segment that has been in the limelight in recent past. Kitchen appliances are gaining popularity due to the rising disposable income and changing lifestyles of people, which in turn is narrowing the price gap between similar consumer products offered by different companies. In addition to this, technological advancements in appliances have also catalyzed the growth of kitchen appliances market. Easy and functional appliances are the need of the hour, which has led to the development of smart, standardized and efficient appliances. All products of the Company are ISI certified and are sophisticated to bring the age old domestic appliances to a new height. The legendary products of the Company like BLOWHOT, ONLINE reflect the sophistication of the products and the reliability as well as exquisite look due to modernization of the design of the product.

Discussion on financial performance with respect to operational performance.

Sr. No.	Particulars	2016-17	2015-16
1.	Net Sales from operations	73,011,482	58,017,842
2.	Other Income	591,099	63,172

Sr. No.	Particulars	2016-17	2015-16
3.	Sub-total	73,602,581	58,081,014
4.	Total Expenditure (Before interest and Depreciation)	68,356,940	54,461,464
5.	Operating Profit (EBIDTA)	5,245,641	3,619,550
6.	Operating Margin %	7.18%	6.24%
7.	Profit / (Loss) After Tax	3,050,658	1,987,480
8.	Return on Capital Employed % (EBIT)	10.61%	8.05%
9.	No. of Months Receivables (Receivables / Sales X 12)	2.50	1.49
10.	Current Ratio (Current Assets / Current Liabilities)	2.69	2.38
11.	Borrowings : Equity Ratio (TL/Equity)	1.33	1.67
12.	Production (Nos.) :-		
(A)	Gas Gyser	6773	4400
(B)	LPG Glass Top	61768	72920
(C)	Chimney	14387	60

Company's revenue from operations for the year 2016-17 was 7,30,11,482, reflecting an increase of 25.84% over the previous year. The Company's profit before exceptional items and tax during the year ended 31st march 2017, 30,50,658, grew by 53.49%.

Earnings Before Interest, Tax, Depreciation and Amortization (EBIDTA)

During the fiscal 2016-17, the Company reported an EBIDTA of Rs.52,45,641 when compared to the previous year's figure of Rs.36,19,550.

Profit Before Tax (PBT)

PBT was at Rs. 30,50,658/- in FY 2017, compared with previous year's Rs.19,87,480/-.

Profit After Tax (PAT)

PAT stood at Rs. 30,50,658/- in FY2017 as compared to Rs. 19,87,480/- in FY2016.



Earnings Per Share (EPS)

EPS in the fiscal 2016-17 stood at Rs. 0.56 per share compared to EPS of Rs. 0.37 per share in fiscal 15-16.

Opportunities and Threats

Demand for smart kitchen appliances has increased over the past few years. Technological advancements have influenced the demand for up gradation of kitchen appliances, thereby enabling smooth and reliable productivity while cooking. The Company has been adopting the strategy of continuously offering innovative, newer and improved products as well as marketing strategies to stay above competition whether organized or unorganized as a result of this the newly developed chimney has shown the growth in demand and has secured a status amongst the other established brands of same kind and quality with the most competitive pricing factor.

These facts are supporting practically our belief of catching and then holding the pace of growth in our segment of products.

The implementation of the 7th Pay Commission, the favorable monsoon and the increase in buying power of citizens all served as positive signals for the industry. However, the move to demonetize higher denomination currencies affected the ACE (Appliances and Consumer Electronics) industry to a large extent. The scheme of sacrificing the LPG connection subsidy has also resulted into the increased demand of the LPG stove, our core product. Gas Geyser is also becoming a necessity now a day and is also becoming a promising product.

Also, due to implementation of GST in July 2017 and the effect of demonetization in the market, expectations are somewhat higher than in the preceding years. However, the Industry may not be able to provide much benefit of GST to the end consumer due to increase in the tax rate of 28% and further it may be difficult for companies to absorb this as they are likely to take a price increase of 3-4 per cent.

The company is in the process of making and implementing the strategies to capitalize available opportunities and minimizing the threats to ladder products across capacities,

formats and prices. The company will put its every effort to maximize the internal accruals by way of input tax credit available in the GST law and by optimizing the product common costs so as to enable it to sustain profitably in the market.

Segment wise Performance

The company has only one segment of Home Appliances and the products considered as part of the segment are, LPG stoves, Gas Hobs, Gas geysers, Water Heaters and Kitchen Chimneys.

The company is hopeful that through a combination of powerful marketing strategies, innovative new products and market development and expansion activities, it would increase its share in the domestic market of most of its products. The newly added organized customers to the chain of company products due to GST regime are very promising for the segmental growth.

Outlook

The Indian kitchen appliances market grew at a healthy double-digit rate over the last decade, driven by a host of factors such as increasing rural penetration, improved disposable incomes and a revolution in lifestyle standards, purchasing preferences and buying trends.

However, in the last four years, the high growth of the past tapered off thus witnessing a sobering effect in the kitchen appliances industry. The key growth challenge encountered by the industry primarily came from the consumer sentiment and stagnation of incomes.

Both global and Indian economies are on the path of recovery. However, the overall market sentiment is positive and your Company expects to maintain its growth rates aided by the new range of products, barring unforeseen circumstances.

Risk and Concerns

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.



Your Company continuously monitors and revisits the risks associated with its business. The company has review mechanism of risks at regular intervals. The management of the Company has identified some of the major areas in relation to business strategy, operations and transactions, statutory/legal compliance, financial reporting, information technology system and overall internal control framework. With improved efficiencies and economies of scale your Company is hopeful of maintaining a healthy margin and return on capital employed. Efficient working capital/ asset management, cash generation and robust stewardship will continue to be our focus areas as in the past.

Risks identified through our risk management processes are prioritized and, depending on the probability and severity of the risk. We have general response strategies for managing risks, which categorize risks according to whether the company will avoid, transfer, reduce or accept the risk.

Internal Control

The Company and the Management has adequate internal control systems in place to safeguard and shield the Company from losses and, unofficial use or deposition of assets. This also ensures that the Company's assets and interests are carefully protected and all the transactions are appropriately authorized, recorded and presented to the management. The Company always adheres to prescribed guidelines and follows all Accounting Standards prescribed for maintenance of books of accounts and reporting of financial statements. The appointed internal auditor monitor and report on the effectiveness of the internal control systems of the various areas of operations Key matters that are reported in the Internal Audit are brought to the notice of the Audit Committee of the Board of Directors and corrective measures are recommended and appropriate actions are

taken. The Internal Control systems ensure the business operations function efficiently and the applicable laws, rules, regulations, policies of the Company are followed, in addition to safeguarding the reliability of financial reporting.

Human Resources/ Industrial Relations Front

The Company fully values the Human Capital and continued to have the cordial and harmonious relations with its employees. The company continues to focus on training employees on a continuous basis. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. The company maintains a strong business linkage to all human resource and initiatives.

The Unit of the Company has 99 non-management employees. The overall relations with these employees continued to be cordial and harmonious during the year 2016-17. As on 31st March, 2017, the employee strength of the Company was 111 as compared to 129 as on 31st March, 2016.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, predictions & contains forward looking statements within the meaning of applicable rules and regulations. It contains forward looking statements which are made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.



INDEPENDENT AUDITOR'S REPORT

To the Members of

Gorani Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Gorani Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's board of directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation and presentation of these standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on

the auditors' 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, An audit also includes evaluating the appropriateness of 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.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we enclosed in the annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the informations 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 Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e. On the basis of the 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 respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. There is no pending litigation which impact the financial position of company and to be included in financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; hence no provision was required to be made; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in the standalone financial statements as regard its holding and dealing in specified bank notes as defined in notification S.O. 3407(E) dated 8th November 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedure performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management.

For: **B.D. SHARDA & CO.**
Chartered Accountants
Firm Reg. No. 00161C

Place: Indore
Date : 30/05/2017

(B.D. SHARDA)
Proprietor
Membership No. 070209

Annexure-A to the Independent Auditors' Report

(Referred to in our report of even date)

- (i) In respect of the Company's property, plant and equipment
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note 10 to the standalone financial statements, are held in the name of the Company.
- (ii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - (b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and



- explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 or 186. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The company has not accepted any deposits from public during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities except Provident Fund, Employees State Insurance (ESI) in which there is a delay in depositing the dues.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2017 for a period of more than six months from the date they became payable.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.
- (ix) According to the records of the company, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. In our opinion the term loans raised during the year were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no material fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under applicable Accounting Standard.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) 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: **B.D. SHARDA & CO.**
Chartered Accountants
Firm Reg. No. 00161C

Place: Indore
Date : 30/05/2017

(B.D. SHARDA)
Proprietor
Membership No. 070209



Annexure-B to the Independent Auditors' Report

(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 Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gorani Industries Limited** ('the Company') as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control 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 ICAI.

For: B.D. SHARDA & CO.
Chartered Accountants
Firm Reg. No. 00161C

Place: Indore
Date : 30/05/2017

(B.D. SHARDA)
Proprietor
Membership No. 070209

**BALANCE SHEET AS AT 31st MARCH' 2017**

CIN- L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2017		As at 31/03/2016	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share Capital	2	50,613,000		48,933,000	
(b) Reserves and Surplus	3	(20,748,294)	29,864,706	(23,798,952)	25,134,048
2 Non- current liabilities					
(a) Long-term borrowings	4	39,577,272		41,913,034	
(a) Other Long-term Liabilities	5	-	39,577,272	10,000	41,923,034
3 Current Liabilities					
(a) Short term borrowings	6	1,435,546		6,859,115	
(b) Trade payables	7	22,745,896		22,903,301	
(c) Other current liabilities	8	2,061,797		1,542,770	
(d) Short term provisions	9	1,398,227	27,641,466	1,310,798	32,615,984
TOTAL			97,083,444		99,673,066
II ASSETS					
1. Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		21,787,908		21,065,405	
(b) Long-term loans and advances	11	1,059,287		820,363	
			22,847,195		21,885,768
2. Current assets					
(a) Inventories	12	55,768,102		59,245,543	
(b) Trade receivables	13	15,191,179		7,217,612	
(c) Cash and Bank Balances	14	1,148,806		10,176,782	
(d) Short-term loans and advances	15	2,128,162	74,236,249	1,147,361	77,787,298
TOTAL			97,083,444		99,673,066
Significant accounting policies and the accompanying notes are an integral part of these financial statements	1				

For and on behalf of the Board

As per our report of even date
For **B. D. Sharda & Company**
Chartered Accountants
Firm Reg. No. 00161C**(Sanjay Gorani)**
Managing Director
DIN :- 00055531**(Anil Gorani)**
Whole Time Director
DIN : 00055540**(Nakul Gorani)**
Whole Time Director
DIN : 06543317**(Suruchi Maheshwari)**
Company Secretary**(C.S. Sharma)**
C.F.O.**(B. D. Sharda)**
M.No. 070209

Place : Indore

Date : 30.05.2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31st MARCH 2017**

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	Year Ended 31/03/2017		Year Ended 31/03/2016	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:	16				
Gross Sales		82,102,482		65,192,511	
Less: Excise Duty		9,091,000		7,174,669	
Net Sales		73,011,482		58,017,842	
II Other Income	17	591,099		63,172	
III Total Revenue (I + II)			73,602,581		58,081,014
IV Expenses					
Cost of Materials Consumed	18	40,080,585		30,317,085	
Purchases of Stock in Trade	19	-		69,827	
Changes in inventories of finished goods, work in progress and Stock-in- trade	20	6,692,634		2,919,753	
Employee benefits expense	21	14,085,195		13,536,305	
Finance Costs	22	238,550		115,020	
Depreciation and amortization expense	10	2,077,722		1,595,866	
Other expenses	23	7,377,237		7,539,678	
Total Expense			70,551,923		56,093,534
V Profit / (Loss) before tax (III-IV)			3,050,658		1,987,480
VI Tax expense :					
(1) Current tax		-		-	
(2) Deferred tax		-		-	
VII Profit/(Loss) for the year (V-VI)			3,050,658		1,987,480
VIII Earnings per equity share :					
(1) Basic			0.56		0.37
(2) Diluted			0.56		0.37
Significant accounting policies and the accompanying notes are an integral part of these financial statements	1				

For and on behalf of the Board

As per our report of even date
For **B. D. Sharda & Company**
Chartered Accountants
Firm Reg. No. 00161C**(Sanjay Gorani)**
Managing Director
DIN :- 00055531**(Anil Gorani)**
Whole Time Director
DIN : 00055540**(Nakul Gorani)**
Whole Time Director
DIN : 06543317**(Suruchi Maheshwari)**
Company Secretary**(C.S. Sharma)**
C.F.O.**(B. D. Sharda)**
M.No. 070209

Place : Indore

Date : 30.05.2017

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017**

CIN - L28121MP1995PLC009170

PARTICULARS	AS AT 31/03/2017	AS AT 31/03/2016
(A) Cash flow from Operating Activities		
Net Profit before tax and extra ordinary items	3,050,658	1,987,480
Add : Non-Operating/Non-Cash Expenses		
Depreciation	2,077,722	1,595,866
Loss on Sale of Fixed Assets	-	-
Interest received	(33,865)	(31,647)
Interest Paid	117,261	36,204
Operating Profit before Working Capital Changes	5,211,776	3,587,903
Change in Working Capital		
Decrease /(Increase) in Inventories	3,477,441	134,927
Decrease/(Increase) in Trade & Other Receivables	(7,973,567)	37,264
Decrease/(Increase) in Loans & Advances	(538,924)	245,650
Decrease/(Increase) in Other Current Assets	(980,801)	(120,397)
Increase/(Decrease) in Trade Payable & Other Liabilities	449,051	7,042,106
Cash Generated from Operation	(355,024)	10,927,453
FBT Tax Paid	-	-
Cash Flow before Extraordinary Items	(355,024)	10,927,453
Extraordinary Items		
prior year tax	-	-
Net cash flow from operating activities	(355,024)	10,927,453
(B) Cash flow from Investing Activities		
Purchase of Fixed Assets	(2,800,225)	(8,623,493)
Decrease / Increase in Capital WIP	300,000	(300,000)
Sale of Fixed Assets	-	-
Interest Income	33,865	31,647
Net Cash Flow from Investing Activities	(2,466,360)	(8,891,846)
(C) Cash Flow from Financing Activities		
Proceeds from Calls Unpaid	1,680,000	-
Increase/(Decrease) in Short term Borrowings	(5,423,569)	(625,516)
Increase/(Decrease) in Long term Borrowings	(2,345,762)	1,100,000
Interest Paid	(117,261)	(36,204)
Net Cash Flow from Financing Activities	(6,206,592)	438,280
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	(9,027,976)	2,473,887
Opening Balance of Cash and Cash Equivalents	10,176,782	7,702,895
Closing Balance of Cash and Cash Equivalents	1,148,806	10,176,782

For and on behalf of the Board

As per our report of even date
For **B. D. Sharda & Company**
Chartered Accountants
Firm Reg. No. 00161C**(Sanjay Gorani)**
Managing Director
DIN :- 00055531**(Anil Gorani)**
Whole Time Director
DIN : 00055540**(Nakul Gorani)**
Whole Time Director
DIN : 06543317**(Suruchi Maheshwari)**
Company Secretary**(C.S. Sharma)**
C.F.O.**(B. D. Sharda)**
M.No. 070209

Place : Indore

Date : 30.05.2017



Notes forming part of Financial Statements

CIN - L28121MP1995PLC009170

Note: 1

SIGNIFICANT ACCOUNTING POLICIES

1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

A] Basis of Accounting:

The financial statements of Gorani Industries Limited have been prepared to comply with the generally accepted accounting principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on accrual basis. The accounting policies have been consistently applied by the company unless otherwise stated.

B] Sales:

The sales of goods are recognized at the point of dispatch of the finished to the customers.

C] Income:

The Income is accounted for on accrual basis.

D] Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost. The cost of an asset comprises its purchase price/cost of construction and any directly attributable expenses for bringing the assets to their working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Profit & Loss Account.

E] Depreciation:

Depreciation on property, plant and equipment has been provided on useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013 on straight line method (SLM). Assets which are purchased, sold or scrapped during the year, depreciation has been provided on pro-rata basis.

F] Borrowing Cost:

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the period in which they are incurred.

G] Foreign Currency Transaction:

The transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange gains/ losses on settlement and on conversion of monetary items denominated in foreign currency are dealt with in the profit and loss account.



H] Inventories:

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the basis of FIFO method. The cost of work in progress and finished goods comprise direct material, direct labour, and other direct cost and related production overheads.

I] Contingent Liabilities:

Contingent liabilities as defined in Accounting Standard 29 on “Provisions, contingent liabilities and contingent assets” are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

J] Retirement Benefits:

- i] The Company accounts for group gratuity for the eligible employees on the basis of payments to Life Insurance Corporation of India as actuarially determined with reference to agreement between them.
- ii] Leave encashment liability is accounted on actual payment basis as per the rules applicable to the company.
- iii] Company’s contribution to Provident Fund and ESIC are charged to Profit and Loss Account.

K] Research & Development:

Capital expenditure on research and development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research & Development is written off in the year in which it is incurred.

L] Accounting on Taxes:

Tax Expenses comprises current tax and deferred tax.

Deferred tax is recognized on timing difference being the difference between taxable income and accounting income originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

As explained by the management, the brought forward business loss and unabsorbed depreciation are more than timing difference between tax depreciation and book depreciation; therefore the provision as stipulated by AS- 22 is not required. Company shall recognize deferred tax assets in succeeding years only when there is certainty that sufficient taxable income will be available.

M] Impairment :

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them, as impairment loss and the same is charged to profit & loss account. Based on the aforesaid review, the Company is of opinion that there is no impairment of any of its fixed assets as at **31st March 2017**.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
NOTE `2'		
SHARE CAPITAL		
-Authorised		
6000000 Equity Shares of Rs. 10/- each [Previous Year : 6000000 Equity Shares of Rs. 10/- each]	60,000,000	60,000,000
-Issued and Subscribed		
* 5438000 Equity Shares of Rs. 10/- each. [Previous Year : 5438000 Equity Shares of Rs. 10/- each]	54,380,000	54,380,000
TOTAL	54,380,000	54,380,000
-Paid up		
5438000 Shares of Rs.10/- each fully paidup Less:- Calls in Arrears on 783800 Shares (Previous year 1142300 shares)	54,380,000 3,767,000	54,380,000 5,447,000
TOTAL	50,613,000	48,933,000

	Nos	Amt(Rs)	Nos	Amt(Rs)
- Reconciliation of Shares:				
Opening Share Capital	5,438,000	54,380,000	5,438,000	54,380,000
Less: Unpaid Calls		(3,767,000)		(5,447,000)
Closing Share Capital		50,613,000		48,933,000
-List of Share holders having 5% or more Shares (In Nos)				
Name Of Shareholders	In Nos	In %	In Nos	In %
Narendra Kumar Gorani	801,800	14.74	801,800	14.74
Online Appliances Ltd. (Formerly known as Rahu Ketu Finance & Investments Ltd.)	840,600	15.46	840,600	15.46
Sanjay Gorani	649,300	11.94	649,300	11.94
Shanta Devi Gorani	285,200	5.24	285,200	5.24
Anil Gorani	304,900	5.61	304,900	5.61

Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees	Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
NOTE `3'			NOTE `4'		
RESERVES AND SURPLUS			LONG TERM BORROWINGS		
Surplus (Deficit) in Statement of Profit & Loss			Unsecured		
Opening Balance	(23,798,952)	(25,786,432)	From Directors	11,643,037	10,378,799
Add: Profit/(Loss) During The Year	3,050,658	1,987,480	From Promoters	27,934,235	31,534,235
Closing Balance	(20,748,294)	(23,798,952)	(As per Stipulation of the sanction of CC limit by Central bank of India)		
			TOTAL	39,577,272	41,913,034



Gorani Industries Ltd.

Particulars	On 31.03.2017	On 31.03.2016
	Rupees	Rupees

NOTE '5'

OTHER LONG TERM LIABILITIES

Earnest Money Deposit	-	10,000
	<u>-</u>	<u>10,000</u>

NOTE '6'

SHORT TERM BORROWINGS

- Secured

Banks- Cash Credit (Repayable on Demand)	1,435,546	6,859,115
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(The working capital loan is secured by a first charge on all the current assets Hypothecation of Stock & Book Debts of the company. And by way of second charge on fixed assets loans are also guaranteed by the Directors.)

	<u>1,435,546</u>	<u>6,859,115</u>
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NOTE '7'

TRADE PAYABLES

Total Outstanding dues of Micro and Small Enterprises	-	-
Total Outstanding dues of Creditors other than Micro and Small Enterprises	22,745,896	22,903,301
TOTAL	<u>22,745,896</u>	<u>22,903,301</u>

NOTE '10' FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2016	ADDITIONS	AS ON 31.03.2017	AS ON 01.04.2016	FOR THE YEAR	TRANSFER TO RESERVE	UPTO 31.3.2017	AS ON 31.03.2017	AS ON 31.03.2017
Lease Hold Land	465016	-	465016	-	-	-	-	465016	465016
Building	18334995	73560	18408555	10950534	642607	-	11593141	6815414	7384461
Plant & Machinery	33567394	2139136	35706530	22897180	944377	-	23841557	11864973	10670214
Dies & Tools	4992162	450204	5442366	4163478	81346	-	4244824	1197542	828684
Office Equipments	763315	-	763315	710659	48422	-	759081	4234	52656
Laboratory Equipment	342582	-	342582	298404	8173	-	306577	36005	44178
Electrical Installation	3669318	-	3669318	3579358	28776	-	3608134	61184	89960
Furniture & Fixture	4715481	69,875	4785356	4672611	8617	-	4681228	104128	42870
Computer	426534	35200	461734	390900	19945	-	410845	50889	35634
Air Conditioner	278492	32,250	310742	259168	6026	-	265194	45548	19324
ETP	715979	-	715979	715978	-	-	715978	1	1
Vehicles	3019104	-	3019104	1586698	289433	-	1876131	1142973	1432406
Fire Fighting Equipments	78261	-	78261	78260	-	-	78260	1	1
Total	71368633	2800225	74168858	50303228	2077722	-	52380950	21787908	21065405
Previous Year	62745140	8623493	71368633	48707362	1595866	-	50303228	21065405	14037778

Particulars	On 31.03.2017	On 31.03.2016
	Rupees	Rupees

1. Trade Payables includes Rs. NIL (Previous Year Rs. NIL) due to creditors registered with the Micor, Small and Medium Enterprises Development Act, 2006
2. No Interest is Paid/ Payable during the year to Micro, Small and Medium Enterprises.
3. The Above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of the supplier under the MSME Act.

NOTE '8'

OTHER CURRENT LIABILITIES

Advances From Customers	210,563	248,065
Sundry Creditors for Expenses	114,294	113,405
Taxes Duties and Other Payables	1,736,940	1,181,300
TOTAL	<u>2,061,797</u>	<u>1,542,770</u>

NOTE '9'

SHORT TERM PROVISIONS

Provision for Employee Benefits	1,050,552	1,038,112
Provision for Other Expenses	347,675	272,686
TOTAL	<u>1,398,227</u>	<u>1,310,798</u>



Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
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NOTE `11'**LONG TERM LOANS AND ADVANCES**

(unsecured Considered good)

Security Deposits with Government authorities	442,887	493,463
Security Deposits with Others	616,400	26,900
Capital Advance		300,000
TOTAL	1,059,287	820,363

NOTE `12'**INVENTORIES**

(at lower of cost or net realisable value)

Raw Material	44,423,697	41,136,282
Finished Goods	5,449,844	3,338,675
Work In Process	5,596,908	14,297,089
Stock-in-Trade	82,824	82,824
Stores and Spares	130,531	202,752
Scrap	84,298	187,921
TOTAL	55,768,102	59,245,543

Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
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NOTE `13'**TRADE RECEIVABLES**

(unsecured Considered good)

Outstanding for a Period	156,634	415,936
Exceeding Six Months		
Others	15,034,545	6,801,676
TOTAL	15,191,179	7,217,612

NOTE `14'**CASH AND BANK BALANCES**

Cash and Cash Equivalents		
Cash in Hand	224,176	353,692
Balance In Current Accounts with Scheduled Bank	924,630	9,823,090
TOTAL	1,148,806	10,176,782

Specified Bank Notes Disclosure (SBNs)

In accordance with that MCA notification G.S.R. 308(E) Dated March 30, 2017 details of Specified Bank Notes (SBN) and other Denomination Notes (ODN) Held and transacted during the period from November 8, 2016 to December 30, 2016, is given below :-

Particulars	SBNs	ODNs	Total
Closing Cash on hand as on November 8, 2016	-	408,091	408,091
(+) Non Permitted receipts	-	-	-
(+) Permitted receipts	-	372,000	372,000
(-) Permitted Payments	-	704,446	704,446
(-) Amounts deposited in Banks	-	-	-
Closing Cash on hand as on December 30, 2016	-	75,645	75,645

NOTE `15'**SHORT TERM LOANS AND ADVANCES**

(unsecured Considered good)

Advances to Suppliers	1,500,000	100,000
Amount lying with Government Authorities	402,825	851,200
Prepaid Expenses	225,337	196,161
TOTAL	2,128,162	1,147,361

NOTE `16'**REVENUE FROM OPERATION****Sales**

Manufactured Goods	72,797,918	58,017,842
Others - Scrap Sale	213,564	-
TOTAL	73,011,482	58,017,842



Gorani Industries Ltd.

Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
Details of Sales		
(Manufactured Goods)		
Steel Frame	8,725,000	4,210,000
L.P.G. Stoves	41,406,668	48,444,242
Gas Geysers	6,254,800	5,169,900
Rangehood (Chimney)	16,411,450	193,700
	72,797,918	58,017,842
Others - Scrap Sale	213,564	-

NOTE `17'

OTHER INCOME

Interest	33,865	31,647
Entry Tax Refund		13,670
Sundry balances written off	9,989	-
Foreign exchange gain	547,245	17,855
TOTAL	591,099	63,172

NOTE `18'

COST OF MATERIAL CONSUMED

Raw Materials' Consumed

Stock at the beginning of the year	41,136,281	38,429,248
Add: Purchases	43,368,001	33,024,118
Less : Stock at the end of the year	(44,423,697)	(41,136,281)
	40,080,585	30,317,085

Details of Raw

Material Consumed

Iron & Steel	13,483,721	9,284,894
Other Raw Materials	244,610	234,751
Components & Stores	23,518,300	18,324,900
Packing Materials	2,833,954	2,472,540
	40,080,585	30,317,085

NOTE `19'

PURCHASE OF STOCK IN TRADE

Purchases of Trading Goods	-	69,827
TOTAL	-	69,827

Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
NOTE `20'		
Change in Inventories		
Inventories at the Beginning of the Year		
Work-in Process	14,297,088	15,676,740
Finished Goods	3,338,675	5,035,303
Traded Goods	82,824	12,997
Scrap	187,921	101,222
	17,906,508	20,826,262

Less: Inventories at the End of the Year

Work-in-Process	5,596,908	14,297,089
Finished Goods	5,449,844	3,338,675
Traded Goods	82,824	82,824
Scrap	84,298	187,921
	11,213,874	17,906,509
Decrease /(Increase) in Stock	6,692,634	2,919,753

NOTE `21'

EMPLOYEE BENEFITS EXPENSES

Salaries, Wages, Bonus etc.	9,640,855	9,718,675
Contribution to PF, ESIC & Other Statutory Funds	1,653,420	1,832,057
Workmen and Staff Welfare Expenses	540,920	535,573
Director Remuneration	2,250,000	1,450,000
TOTAL	14,085,195	13,536,305

NOTE `22'

FINANCE COSTS

Interest Expense

Bank Charges	121,289	78,816
Interest Expenses	117,261	36,204
TOTAL	238,550	115,020



Particulars	On 31.03.2017 Rupees	On 31.03.2016 Rupees
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NOTE `23'**OTHER EXPENSES****Direct Expenses**

Consumptions Of Store and Spares	580,210	403,295
Power and Fuel	3,127,472	3,036,338
Repairs To - Plant & Machinery	383,616	366,946
Repairs To - Dies	149,558	120,582
Repairs To - Electric	131,885	27,905
Entry Tax	383,831	368,038
Laboratory Expenses	12,135	19,909
Other Factory Expenses	67,769	44,063
SUB TOTAL	4,836,476	4,387,076

Administrative and Other Expenses

Insurance	72,331	64,393
Rent,Rates and Taxes	269,928	278,204
Office Expenses	42,017	130,576
ISO 9000 & Certification	36,225	7,442
Legal & Professional Charges	583,546	459,829
Books & Periodicals	5,004	5,950
CST	-	1,923
Share listing, Demat & Registrar Exp.	323,756	305,311
Postage & Courier	36,574	36,855
Telephone Expenses	173,935	172,430
Stationery & Printing	98,876	118,720
Director's Travelling & Conveyance	33,821	2,574
Payment to Auditors:		
For Statutory Audit	45,000	45,000
For Tax Audit	20,000	5,000
For Others	10,000	18,000
Director Sitting Fees	9,000	9,000
Registration & Fees	83,814	74,149
Vehicle Running & Maintenance	120,070	78,090
Sales Tax after Assesment	-	28,648
Sundry balances written off	-	762
SUB TOTAL	1,963,897	1,842,856

Selling & Distribution Expenses

Advertisement & Publicity	45,181	62,393
Marking Fee	116,588	38,200
Freight expenses on consignment	265,200	769,600
Commission on consignment sales	149,895	439,553
SUB TOTAL	576,864	1,309,746
TOTAL	7,377,237	7,539,678

Note: 24 Earnings Per Share :

The basic earning per share and diluted earning per share are calculated as under :-

	2016-2017	2015-2016
i] Net Profit as per Profit & Loss		
Account available for Equity		
Share holders.	Rs. 30,50,658	Rs. 19,87,480
ii] Weighted average number of Equity		
Share for Earning per Share Computation		
A] For Basic Earnings per		
Share (No.)	5438000	5438000
B] For Diluted Earning per		
Share (No.)	5438000	5438000
iii] Earning per Share for Basic		
& Diluted	Rs. 0.56	Rs. 0.37

Note: 25 Segment Reporting Policies

Identification of segments:

a] Primary Segments

Business segment: The Company has only one segment of Home Appliances and the products considered as part of the segment are LPG Stove, Range hood (Chimney) and Gas Geysers. Since inherent nature of all activities of the company is governed by the same set of risks and returns and also all the products are falling in the same category in trade parlance therefore as per the guidelines of the AS-17 no primary segment is reporting required for the year.

**b) Secondary Segment**

Geographical Segment: The analysis of geographical segment is based on the geographical location of the customers. The following is the distribution of the Company's consolidated sales by geographical market:-

Sales to Domestic Market (Mfg)	Rs. 7,30,11,482/-	5,80,17,842/-
Sales to Domestic Market (Trd)	Rs. ---	---
Sales to Overseas Market	---	---
	<u>Rs. 7,30,11,482/-</u>	<u>5,80,17,842/-</u>

Note: 26 Disclosure of Related Party / Related Party Transactions**Name of the related parties and relationship****(a) Associates Companies**

M/s Blow Hot Kitchen Appliances Private Limited.

(b) Key Management Personnel and their relatives

Mr. Sanjay Gorani	Managing Director
Mr. Anil Gorani	Whole Time Director
Mr. Nakul Gorani	Whole Time Director
Mr. Narendra Gorani	Relative of Director (Proprietor of Gangotri Industries)
Mrs. Manju Gorani	Relative of Director
Mr. C.S. Sharma	CFO
Ms. Shivangi Gupta	Company Secretary (Resigned on 8.06.2016)
Ms. Nupur Lodwal	Company Secretary (appointed on 06/07/2016 and resigned on 09/11/2016)
Ms. Suruchi Maheshwari	Company Secretary (appointed on 14/12/2016)

(c) The transactions entered into with the related parties during the year along with related balances as at 31st march 2017 are as under:

NATURE OF TRANSACTION	RELATED PARTIES REFERED ABOVE IN	
	(a)	(b)
RENT	36,000	-
	(36,000)	
LOAN TAKEN	-	27,40,000
		(11,00,000)
REPAYMENT OF LOAN	-	50,75,762
		(-)
AMOUNT		3,95,77,272
OUTSTANDING AS AT BALANCE SHEET DATE	-	(4,19,13,034)
MANEGERIAL		22,50,000
REMUNERATION		(14,50,000)
REMUNERATION TO	-	3,26,231
OTHER KMP (CFO, CS)		(3,24,000)
SALE OF GOODS	20,03,142	63,11,939
	(0)	(48,30,976)

Note: 27

Contingent Liabilities

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (Previous Year Rs. NIL)

Note: 28

In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet. No provision has been made for the long outstanding debtors considered doubtful because it is still under negotiation stage.

Note: 29

Additional Information pursuant to provisions of paragraph 5 (VIII) of part II of schedule III to the companies act as certified by the Directors:

**a) Details of Imported and Indigenous Raw Material, Stores & Spares Consumed:**

	Current	Year	Previous	Year
Imported	2,89,25,998	71.14%	2,21,42,537	72.08%
Indigenous	1,17,34,797	28.86%	85,77,844	27.92%
	4,06,60,795	100.00%	3,07,20,381	100.00%
	Current Year		Previous Year	

b) Value of Imports Calculated on CIF Basis:

Raw Material\Components	2,72,10,031	2,10,61,916
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c) Expenditure in Foreign Currency

Foreign Travelling	0	0
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d) Earning in Foreign Exchange:

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Note: 30

The Balances in the accounts of debtors, creditors, loans, advances and others are subject to confirmation and reconciliation. But no confirmation is called in last year by the company.

Note: 31

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year figures.

For and on behalf of the Board

As per our report of even date
For **B. D. Sharda & Company**
Chartered Accountants
Firm Reg. No. 00161C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Suruchi Maheshwari)
Company Secretary

(C.S. Sharma)
C.F.O.

(B. D. Sharda)
M.No. 070209

Place : Indore
Date : 30.05.2017



ATTENDANCE SLIP ATTENDANCE SL

Form No. MGT-11

Proxy form

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

CIN: L28121MP1995PLC009170

Name of the company: Gorani Industries Limited

Registered office: 32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No/Client Id:
DP ID:

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

- | | | |
|----------------------------------|----------------------------------|----------------------------------|
| 1. Name: | 2. Name: | 3. Name: |
| Address: | Address: | Address: |
| E-mail Id: | E-mail Id: | E-mail Id: |
| Signature:, or failing him | Signature:, or failing him | Signature:, or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting/ Extraordinary general meeting of the Company, to be held on the 29th day of September, 2017 At 12.00. Noon at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	
1.	Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2017.
2.	Appointment of Mr. Nakul Gorani (Holding DIN: 06543317), Whole Time Director, who retires by rotation and being eligible, offers himself for reappointment.
3.	Appointment of Auditor and Fixing their remuneration thereon.
4.	Re-appointment of Mr. Anil Gorani (Holding DIN- 00055540), as Whole Time Director of the Company.
5.	Approval of related party transaction with Gangotri Industries.
6.	Approval of related party transaction with Blow Hot Kitchen Appliances Private Limited.
7.	Adoption of new set of Articles of Association of the company.

Signed this day of 20.....

Signature of shareholder

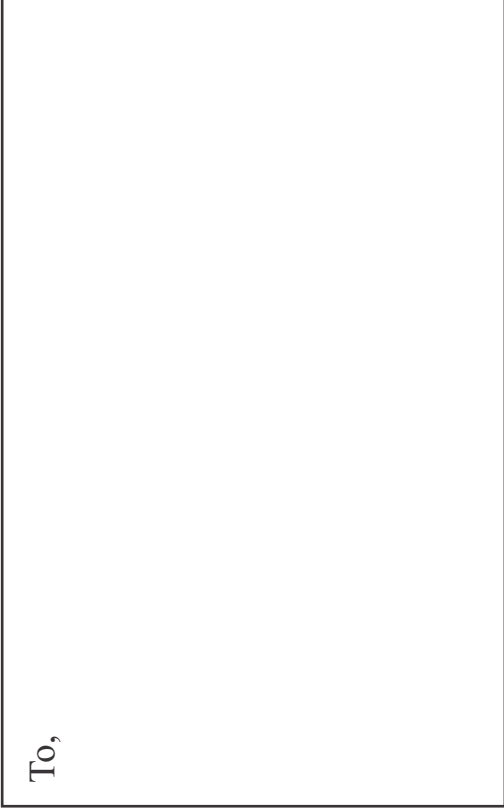
Signature of Proxy holder(s)

Affix a Re. 1 Revenue Stamp

- Note:**
- 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.**
 - The holder may vote either for or against each resolution.**

BOOK - POST

To,



If Undelivered, please return to
Gorani Industries Ltd.
Reg. Office : Plot No. 32-33, Sectr F,
Sanwer Road, Industrial Area, INDORE - 452 015 (M.P.)