

# 18<sup>th</sup> Annual Report 2016-17

Gyscoal - The *Glint* of Growth



**GYSCOAL ALLOYS LIMITED**





**CIN - L27209GJ1999PLC036656**

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs (“MCA”), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Statement of the Profit & Loss, Directors’ Report, Auditors’ Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the email address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

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**CORPORATE INFORMATION****BOARD OF DIRECTORS****Shri Viral M. Shah**

Chairman & Managing Director

**Shri Zankarsinh K. Solanki**

Whole-time Director

**Shri Sunil Talati**

Independent Director

**Shri Surendra Patel**

Independent Director

**Smt. Bharti A. Dhanak**

Independent Director

**REGISTERED OFFICE & FACTORY**

Plot No.2/3 GIDC Ubkhal, Kukarwada

Tal. Vijapur, Dist.: Mehsana 382830

Gujarat

Tel : +91-79-2763-252384

Fax +91-79- 26579387

**CORPORATE OFFICE**

2<sup>ND</sup> Floor, Mrudul Tower,

B/h Times of India,

Ashram Road,

Ahmedabad 380009, Gujarat

Tel. +91-79- 66614508, 66610181

E-mail. : [info@gyscoal.com](mailto:info@gyscoal.com)

Website: [www.gyscoal.com](http://www.gyscoal.com)

**CHIEF FINANCIAL OFFICER**

Mr. Kalpesh Patel

**COMPANY SECRETARY &****COMPLIANCE OFFICER**

Ms. Priti Kakkar

**STATUTORY AUDITOR****Saurabh R. Shah & Co.**

Chartered Accountants

F-8, Ganesh Plaza, Kalikund,

Dholka, Ahmedabad – 382225

**SECRETARIAL AUDITOR****Samdani Shah & Kabra**

808, Shiromani Complex, Opp. Ocean Park,

S. M. Road, Satellite,

Ahmedabad—380015

**COST AUDITOR****V. H. Shah & Co.,**

Cost Accountant

**INTERNAL AUDITOR****Ravi Thakkar & Co.,**

Chartered Accountant

**BANKERS**

UCO BANK

STATE BANK OF INDIA

**REGISTRAR AND TRANSFER AGENT****Link Intime India Private Limited**

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083

Phone: +91 22 49186270

Fax: +91 22 49186060

Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

**NOTICE**

**NOTICE** is hereby given that the 18<sup>th</sup> Annual General Meeting of the Members of Gyscoal Alloys Limited will be held on Thursday, 28<sup>th</sup> September, 2017 at the Registered Office of the Company situated at Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist.: Mehsana -382830 at 11:00 A.M. to transact the following businesses:

**ORDINARY BUSINESS:****1. To receive, consider and adopt**

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2017, together with the Reports of Directors and Auditors thereon.
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2017, together with the Reports of Auditors thereon.

2. To appoint a Director in place of Shri Viral M Shah (DIN – 00014182) who retires by rotation and being eligible, offers himself for Re-appointment.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by Members at the 17<sup>th</sup> Annual General Meeting appointing M/s Saurabh R Shah & Co., Chartered Accountants (having registration No. 127176W) as Statutory Auditors of the Company to hold office until the conclusion of 22<sup>nd</sup> Annual General Meeting of the Company, the Company hereby ratifies and confirms the appointment of M/s Saurabh R Shah & Co., as Statutory Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2018 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

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

**Re-appointment and approval of Remuneration of Shri Viral M Shah as Managing Director of the Company for a period of five years.**

**“RESOLVED THAT** subject to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) & the recommendation of the Nomination & Remuneration Committee, the Company hereby approves the re-appointment of Shri Viral M Shah (DIN: 00014182) as Managing Director (designated as Chairman & Managing Director) of the Company, for a period of five years, w.e.f. 3<sup>rd</sup> December, 2017, upon the terms and conditions including the remuneration and other perquisites / benefits payable to him during the said period as set out in the statement annexed to the notice convening this meeting.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to alter and/or vary the terms and conditions of the said re-appointment and the draft of Agreement as approved vide this Resolution as may be deemed fit from time to time in the light of further progress of the Company which shall be in accordance with the prescribed 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 to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient, necessary, proper or in the best interest of the Company.”



**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any Financial Year, the remuneration by way of salary, perquisites and other allowances payable to Shri Viral M Shah shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013 (as may be amended from time to time) and the Rules made there under or any statutory modification or re-enactment thereto."

**"RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

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

**To approve the remuneration of the Cost Auditors for the financial year 2017-18, and in this regard:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/S. V. H. Shah & Co., Cost Accountant having firm registration no. as 100257 the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2017-18, be paid the remuneration of Rs. 40,000/- plus Taxes & re-imbursment of out-of- pocket expenses, if any, incurred during course of audit."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board,  
For, Gyscoal Alloys Limited**

**Date : 28/08/2017  
Place: Ahmedabad**

**Priti Kakkar  
Company Secretary & Compliance Officer**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 MEMBER.
2. The instrument appointing proxy should however be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. An explanatory statement pursuant to section 102 of the Companies Act, 2013, in respect of special business in the Notice is annexed hereto.
4. Additional information, pursuant to the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India on Directors recommended by the Board for appointment / re-appointments, at the Annual General Meeting are annexed hereto.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Corporate Office of the Company on all working days, except Sundays, between 11:00 a.m. and 1:00 p.m. up to the date of the meeting.
6. The Register of Members and the Share Transfer Books of the Company will remain closed From Friday, 22<sup>nd</sup> day of September, 2017 to Thursday, 28<sup>th</sup> day of September, 2017 (both days inclusive).
7. The Equity Shares of the Company are available for Dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Those Shareholders who wish to hold the Company's Share in electronic form may approach their Depository participants.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the



information regarding change of address and bank particulars should be given to their respective Depository Participant.

9. The balance lying for unclaimed share application money in respect of IPO of the Company came in financial year 2010-11 will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government by October, 2017. Members who have not claimed their application money pertaining to the said year may approach the Company or its share transfer agent for obtaining payments thereof on or before 23<sup>rd</sup> October, 2017.
10. Members / Proxies should fill in the Attendance Slip for attending the meeting and they are requested to bring their Attendance Slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio No in Attendance Slip for attending the meeting.
11. Electronic copy of the Annual Report for the year 2016-17 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
12. Electronic copy of the Notice of the 18<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 18<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. Members may also note that the Notice of the 18<sup>th</sup> Annual General Meeting and the Annual Report for the year 2016-17 will also be available on the Company's website [www.gyscoal.com](http://www.gyscoal.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id : [investors@gyscoal.com](mailto:investors@gyscoal.com)
14. Members are requested to intimate to the Company, queries, if any, on the accounts at least 10 days before the meeting to enable the Management to keep the required information available at the meeting.
15. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 along with Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 25<sup>th</sup> September, 2017 at 9.00 a.m. and ends on 27<sup>th</sup> September, 2017 at 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 21<sup>st</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website:

[www.evotingindia.com](http://www.evotingindia.com).





- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (xi) Click on the EVSN i.e. **170822093** for the relevant **Gyscoal Alloys Limited** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).
- (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](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**CONTACT DETAILS**

**Company : Gyscoal Alloys Limited**

Regd. Office : Plot No.2/3 GIDC Ubkhal, Kukarwada Tal. Vijapur, Dist.: Mehsana 382830, Gujarat, India

CIN : L27209GJ1999PLC036656

E-mail ID : [investors@gyscoal.com](mailto:investors@gyscoal.com)

**R&T Address : Link Intime India Private Limited**

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel No : +91 22 49186270 Fax: +91 22 49186060

E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

**E-Voting Agency : Central Depository Services (India) Limited**

E-mail ID : [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Phone : 022- 22723333/ 8588

**Scrutinizer : PCS Chirag Shah, Practising Company Secretary**

E-mail ID : [pcschirag@gmail.com](mailto:pcschirag@gmail.com)



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The Explanatory statement pursuant to section 102 of the Companies Act, 2013 set out all material facts relating to the Special Business mentioned in the accompanying Notice are as follows:

**ITEM: 4**

In terms of the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) and Articles of Association of the Company, re-appointment of the Managing Director requires approval of the shareholders by way of an ordinary resolution.

As recommended by the Nomination & Remuneration Committee of the Board, the Board of Directors in its meeting held on 28<sup>th</sup> August, 2017, re-appointed Shri Viral M Shah as Managing Director (designated as Chairman & Managing Director) of the Company for a further period of 5 years w.e.f. 3<sup>rd</sup> December, 2017 subject to the approval of the Members of the Company, on the terms and conditions, including remuneration, as detailed hereunder:

<b>A</b>	<b>Period of Appointment</b>	Five years from 3 <sup>rd</sup> December, 2017 ending on 2 <sup>nd</sup> December, 2022.
<b>B</b>	<b>Remuneration Details</b>	
	Monthly Salary	Maximum Rs. 2, 00,000/- (Rupees two Lacs Only) including Bonus, cash allowances and Incentives with the authority granted to the Board of Directors to determine the salary and grant such increases from time to time within the aforesaid limit.
	Other facilities, if any	It includes Company's Contribution to Provident Fund, Provision for Gratuity, Encashment of Leave Salary, as per the rules of the Company. These shall not be included in computation of above limits of remuneration.
	Minimum Remuneration	Notwithstanding anything herein above stated, wherein any financial year, the Company incurs loss or its profits are inadequate, the Company shall pay to Shri Viral Shah, the remuneration by way of Salary, Bonus and Other Allowances not exceeding the limits specified under Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed the Government from time to time.
<b>C</b>	<b>Duties and Responsibilities</b>	Shri Viral Shah shall be responsible for entire commercial assignments as applicable under various statutes and shall perform such duties which may be entrusted to him, subject to superintendence, control and guidance of Board of Directors.

The present tenure of Shri Viral M Shah as Managing Director expires on 2nd December, 2017.

The draft agreement to be entered into between the Company and it is available for inspection by the Members at the Corporate Office of the Company between 11:00 a.m. and 1:00 p.m., on any working day up to the date of Meeting.

Except Shri Viral M Shah and his relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The Board of Directors is of the opinion that it will be in the best interest of the Company that Shri Viral M Shah continues as the Managing Director of the Company and accordingly recommends the passing of resolution under item no. 4 for approval of the shareholders as an Ordinary Resolution.

**ITEM: 5**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/S. V. H. Shah & Co., Cost Accountant having firm registration no. 100257 as the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year 2017-18.



In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 for your approval.

**By order of the Board  
For, Gyscoal Alloys Limited**

**Date : 28/08/2017  
Place: Ahmedabad**

**Priti Kakkar  
Company Secretary & Compliance Officer**

#### ANNEXURE TO THE NOTICE

Brief Particulars of Director being re-appointed is as under:-

<b>Name</b>	<b>Viral M Shah</b>
DIN	00014182
Date of Birth	02/05/1976
Date of Appointment	29/09/1999 (Since Incorporation)
Educational Qualification	B. Com.
Remuneration last drawn	Refer to Report on Corporate Governance
Details of remuneration sought to be paid	Refer Item No. 4 of the Notice
Directorship held in other Companies:	<p><b>Public Company:</b></p> <ol style="list-style-type: none"> <li>Four Season Residency Limited</li> <li>Sampati Securities Limited</li> </ol> <p><b>Private Company:</b></p> <ol style="list-style-type: none"> <li>Gyscoal Enterprise Private Limited</li> <li>Western Urja Private Limited</li> <li>Long View Financial Services Private Limited</li> <li>General Capital And Holding Company Private Limited</li> </ol>
Memberships/ Chairmanships of Committees across Public Companies	<ol style="list-style-type: none"> <li>Gyscoal Alloys Limited – Member of Audit Committee and Stakeholders Relationship Committee</li> <li>Four Season Residency Ltd. - Member of Audit Committee</li> </ol>
Work Profile and functional responsibility in the Company	He is presently the Chairman & Managing Director of the Company. He is having experience of more than 12 years in the steel & alloys business. He is associated with Company since incorporation and over a period of time, he has gained in-depth knowledge and experience in steel manufacturing as well as international sourcing and marketing. He handles all the production as well as marketing (domestic and international) related activities of the company. Having started his career with trading of steels and alloys, Mr. Shah has gained knowledge and experience over the last decade.
Number of Shares held in the Company:	51763960 Equity Shares of ₹ 1/- each.
Relationships between Director inter-se	Refer to Report on Corporate Governance

**DIRECTOR'S REPORT**

To  
The Members,

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report on the business and operations together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2017.

**1. FINANCIAL HIGHLIGHTS**

The financial highlights of the company for the year under review are summarized as under:

₹ In lacs

Particulars	STANDALONE		CONSOLIDATED	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations	15715.21	15932.67	15715.21	15932.67
Other Income	41.23	457.69	41.23	457.69
Total Revenue	15756.44	16390.36	15756.44	16390.36
Total Expenditure	16682.21	17908.73	16669.08	17915.74
<b>Profit Before Interest &amp; Depreciation</b>	<b>1433.64</b>	<b>707.72</b>	<b>1446.77</b>	<b>700.75</b>
Finance Charges	1439.26	1168.17	1439.26	1168.17
Depreciation	920.15	1057.92	920.16	1057.95
<b>Net Profit before Tax</b>	<b>(925.77)</b>	<b>(1518.37)</b>	<b>(912.65)</b>	<b>(1525.37)</b>
Provision for tax	(100.14)	(193.21)	(100.14)	(193.32)
<b>Net Profit After Tax</b>	<b>(825.64)</b>	<b>(1325.16)</b>	<b>(819.42)</b>	<b>(1332.06)</b>
Balance of Profit brought forward	1103.16	2428.32	1085.77	2417.84
Balance available for appropriation	(825.64)	(1325.16)	(819.42)	(1332.06)
General Reserve	7.44	7.44	7.44	7.44
Proposed Dividend	-	-	-	-
<b>Balance Carried Forward</b>	<b>277.52</b>	<b>1103.16</b>	<b>266.36</b>	<b>1085.77</b>

**2. DIVIDEND & RESERVES**

Due to inadequate profit your directors are not in a position to recommend any dividend for the financial year ended 31<sup>st</sup> March, 2017. No amount has been transferred to General Reserve.

**3. UTILIZATION OF IPO PROCEEDS**

The Statutory Auditor M/s. Saurabh R Shah & Co., has provided the Certificate to the Board of Directors of the Company which was noted and thereafter approved in the Board Meeting held on 10<sup>th</sup> February, 2017 which



states that entire fund raised from the issue has been utilized for the purpose of the objects as stated in Prospectus of the Company dated 18<sup>th</sup> October, 2010:

Sr. No.	Particulars	Amount of projected utilization of funds as per offer document (₹ In Lakhs)	Amount of actual utilization (₹ In Lakhs)	Deviation (if any)
1	Setting up New Project	5770.49	4685.36	(1085.15)
2	General Corporate Purposes	25.00	10.00	(15)
3	Issue Expense	482.36	510.69	28.33
4	Long Term Working Capital	500.00	1571.82	1071.82
	<b>Total :</b>	<b>6777.85</b>	<b>6777.85</b>	

Set up of the Phase –I and Phase –II new project is completed and Company has already started the Commercial Production.

**4. UNPAID AND UNCLAIMED SHARE APPLICATION AMOUNT**

Pursuant to Section 124 of the Companies Act, 2013 read with provisions of Investors Education & protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016 and subsequently amended as Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, Share Application money due for refund, which remained unclaimed by the shareholders for seven consecutive years or more, to be transferred by the Company in favour of Investor Education and Protection Fund (IEPF) Authority as created by Central Government. The Company has communicated to all the concerned shareholders individually whose application money are liable to be transferred to IEPF Authority. The Company has also given newspaper advertisement dated July 20, 2017, regarding proposed transfer in favour of IEPF Authority in respect of which Application Money has not been claimed for seven consecutive years by the respective shareholders. The Company has also uploaded the details of such shareholders and amount due for transfer to IEPF Authority on the website of the Company at [www.gyscoal.com](http://www.gyscoal.com). Accordingly, in case the Company does not receive any communication from the concerned shareholder, the Company shall transfer the money to the IEPF Authority by the due date as per the procedure stipulated in the Rules.

Shareholders may note that the Unclaimed Share Application Money which will be transferred to the IEPF Authority including all benefits accruing on such amount, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of share application money.

The Amount of ₹ 25560/- is lying as the Amount of Application Money received and due for refund in respect of the IPO of the Company in F.Y. 2010-2011. The last date on which the amount will be transferred to IEPF Authority will be 23<sup>rd</sup> October, 2017. Therefore, the shareholders are advised to claim such amounts immediately.

**5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Information on operational and financial performance, etc. of the Company for the financial year is given in the Management Discussion and Analysis which is set out as **Annexure F** to the Directors' Report.

**6. FIXED DEPOSITS**

The Company has not accepted any fixed deposit from public within the meaning of Section 73 of the Companies Act, 2013 and rules made thereunder.

**7. SHARE CAPITAL**

**a. Sub-Division of Equity Shares.**

Pursuant to the approval of the members accorded in 17<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2016, the Equity Shares of the Company having a face value of ₹ 10/- (Rupees Ten only) each were sub-divided into 10 (Ten) Equity Shares having a face value of ₹ 1/- (Rupee One only) each. Accordingly, 1,58,27,556 equity shares of face value of ₹ 10 each were sub-divided into 15,82,75,560 equity shares of face value of ₹ 1 each w.e.f. 14<sup>th</sup> October, 2016 as the record date fixed for the said purpose.

**b. Change in Authorised Share Capital.**

During the financial year 2016-17, the Company, pursuant to the approval of the members accorded in 17<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2016, has also amended its authorized



share capital from 2,70,00,000 (Two Crore Seventy Lacs only) equity shares of ₹ 10/- (Rupees Ten Only) each into 27,00,00,000 (Twenty Seven Crores only) equity shares of ₹ 1/- (Rupee One Only) each w.e.f. 14<sup>th</sup> October, 2016 as the record date fixed for the said purpose.

## **8. SUBSIDIARY, JOINT VENTURE & ASSOCIATE COMPANIES & CONSOLIDATED FINANCIAL STATEMENT**

During the FY 2016-17, the Company have subscribed 26% of shares in M/s. Goldman Hotels and Resorts Private Limited, New Delhi ("A SPV Company") which have been incorporated on 4th November, 2016 and has become the associate of your Company. Apart from this no Company has formed or ceased to be subsidiary, joint venture or associate of your Company.

In accordance with Companies Act, 2013 ("the Act") and Accounting Standard (AS)-21 on consolidated financial statement read with AS-23 on Account for investment in associates and AS-27 on financial reporting of interest in Joint ventures the Audited Consolidated financial statements is provided in the Annual Report.

The Company has prepared Consolidated Financial Statement of the Company and while preparing the Consolidated Financial Statements, the Company has consolidated the accounts of our subsidiary and associate Company viz. Thai Indo Steel Co. Ltd. and M/s. Goldman Hotels and Resorts Private Limited as per the requirements of Accounting Standards issued by the Institute of Chartered Accountants of India. The details of financial performance of Subsidiary Company is furnished in **Annexure C** and attached to this report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including consolidated financial statements of the Company and audited accounts of each of its subsidiaries, are available on our website [www.gyscoal.com](http://www.gyscoal.com).

## **9. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

The Company is operating in only one segment i.e. Metal Industry. The company mainly manufactures SS Angles, SS Flats & SS Rounds and the % wise breakup of the products of the total turnover of the company is as under:-

S.S. ANGLE BARS	77 %
S.S. FLAT BARS	5 %
S.S. ROUND BARS	10%

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

Your Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures. Your Directors express their satisfaction and states that the Company is having the adequate Internal Finance Control System to the size of its operation.

## **11. CORPORATE GOVERNANCE REPORT**

In terms of Regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 (hereinafter "Listing Regulation"), a Report on Corporate Governance along with Compliance Certificate issued by Company Secretary in Practice, confirming compliance of the conditions of Corporate Governance Report is attached as **Annexure - G**, which forms part of the Director's Report.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure – A** and is attached to this report.

## **13. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Risk is an integral part of any business and therefore, Risk Management is an important function that the business management has to perform to ensure sustainable business growth.

The Board of the Company has framed the Risk Management Policy. The details of the policy are as updated on website of the company [www.gyscoal.com](http://www.gyscoal.com). The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. At present the company has not identified any element of risk which may threaten the existence of the company.



The Company does not fall under the ambit of top 100 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

#### **14. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

#### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

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

#### **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.gyscoal.com](http://www.gyscoal.com).

Your Directors draw attention of the members to **Note 32** to the financial statement which sets out related party disclosures.

#### **17. AUDITORS**

##### **a) Statutory Auditor**

The Statutory Auditor, M/s. Saurabh R Shah & Co., Chartered Accountants (ICAI Registration No. 112647W), Ahmedabad, were appointed with your approval at the 17<sup>th</sup> AGM to hold such office till the conclusion of the 22<sup>nd</sup> AGM. On the recommendation of the Audit Committee and pursuant to Section 139 of the Act, the Board recommended for the ratification of the Members, the appointment of M/s. Saurabh R Shah & Co., Chartered Accountants (ICAI Registration No. 112647W), Ahmedabad from the conclusion of the ensuing AGM till the conclusion of the 19<sup>th</sup> AGM. Appropriate resolution for the said purpose is appearing in the Notice convening the 18<sup>th</sup> AGM of the Company.

##### **b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit for the year ended March 31, 2017 was carried out by the Secretarial Auditor M/s. Chirag Shah & Associates, Practising Company Secretaries, Ahmedabad. The report of M/s. Chirag Shah & Associates. is provided in the **Annexure E** forming part of this Report, pursuant to Section 204 of the Act.

The Board of Directors of your Company has appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, Ahmedabad to carry out Secretarial Audit of the Company for the FY 2017-18.

##### **c) Internal Auditor**

The Board of Directors has re-appointed M/s. M/s. Ravi Thakkar & Co., Chartered Accountants, as Internal Auditor of your Company to conduct Internal Audit for the FY 2017-18.

##### **d) Cost Auditor**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, your Directors has on recommendation of the Audit Committee, re-appointed M/s. V. H. Shah, & Co., Cost Accountant (ICWAI Registration No. 100257), Ahmedabad as Cost Auditor for conducting audit of cost accounting records maintained by the Company for "Steel Plant" for the financial year 2017-18 at a remuneration of ₹ 40,000/- (Rupees Forty Thousands only) plus out of pocket expenses, if any. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, the resolution seeking Members' ratification is included in the Notice convening the 18<sup>th</sup> Annual General Meeting.

**18. STATUTORY AUDIT REPORT**

The observation made in the Auditor's Report are self explanatory and therefore, do not call for any further comments under Section 134(3)(f) of the Act.

The explanation on adverse remarks / qualification(s) in the Auditor's Report -

Point No. (vii) (a) to the Standalone Financial Statements: According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the period. However, in some cases such statutory dues are paid after its due dates along with interest during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, customs duty, excise duty, cess and other material statutory dues applicable to it, were in arrears, as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable except Income Tax payable of ₹ 3393273/- for the A.Y. 2014-15

Point No. (vii) (b) to the Standalone Financial Statements: According to the information and explanations given to us, the disputed statutory dues aggregating ₹ 844606876/- that have not been deposited on account of disputed matter pending before appropriate authorities

Point No. (viii) to the Standalone Financial Statements: According to the information and explanations given to us, the Company has defaulted in repayment of dues aggregating of ₹ 772884661/- to financial institutions, banks or debenture holders during the year and all those Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at the interest rates sanctioned by the banks and shown under the Other Current Liabilities in Balance Sheet.

Explanation to Point No. (vii) (a), Point No. (vii) (b) and Point No. (viii) to the Standalone Financial Statements:

For Point No. (vii) (a) The audit qualifications pointed out by the auditor are just the disclosure of fact that the company has not deposited its disputed statutory dues with appropriate authority and has made default in repayment of Bank loan. This is not impacting financial position of the Company.

For Point No. (vii) (b) The stay order has been received against the amount disputed and not deposited & management is in the process of taking necessary steps to resolve pending statutory dues as mentioned in the Auditor's Report and taking measures to pay them within due course.

For Point No. (viii) in respect of default in repayment of Bank loans the company is in process of taking necessary steps to regularize those account.

**19. SECRETARIAL AUDIT REPORT**

The Board has appointed M/s Chirag Shah & Associates, Practicing Company Secretaries (ICSI Membership No. 5545 & CPN 3498), to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as **Annexure E** to this Report.

**20. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to Section 178(3) of the Companies Act, 2013.

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

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

Your Company has adopted a defined policy and procedure for Appointment of Independent Directors which has been put on Company website [www.gyscoal.com](http://www.gyscoal.com).

**21. EXTRACTS OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure B** and is attached to this Report.

**22. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Company had 5 (Five) Board Meetings during the financial year under review. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**23. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 ("the Act"), the Board of Directors of your Company, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year and of the profit of your Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**24. PARTICULARS OF EMPLOYEES**

A statement containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is appended as **Annexure – D** to this report.

No employee has received remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 during FY 2016-17.

**25. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company strongly believes in providing a safe and harassment free workplace to all its employees. The Company continuously endeavours to create and provide an environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. For this purpose, the Company has in place 'Policy of Protection of Women against Sexual Harassment at Work Place' and also formed Complaint Redressal Committees at various administrative units/ Offices.

During the Financial Year 2016-17, the Company received no complaint of sexual harassment.

**26. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As per Section 152 of the Companies Act, 2013 Shri Viral M Shah, (DIN – 00014182) Chairman & Managing Director of the Company retires at this Annual General Meeting and being eligible offer himself for re-election. The Board of Directors recommended his re- appointment at the forthcoming Annual General Meeting.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 28<sup>th</sup> August, 2017, has subject to the approval of the members at the forthcoming 18<sup>th</sup> Annual General Meeting of the Company, approved the re-appointment of Shri Viral M Shah, (DIN – 00014182) as Chairman & Managing Director of the Company for a further period of five years, with effect from 3<sup>rd</sup> December, 2017.

The details of Shri Viral M Shah are provided in the Notice of the Annual General Meeting. There were no changes in the Key Managerial Personnel of the Company during the year.

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.



**27. REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

There are no significant and material order passed by the Regulators or Courts or Tribunals which would impact the going concern status and the company's future operations.

**28. ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

The Company has devised a policy for performance evaluation of Board, its Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The same is covered under Corporate Governance Report.

**29. APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS (IND AS)**

As per Notification of Ministry of Corporate Affairs on 16<sup>th</sup> February 2015 IND AS has come into force. The date of transition to IND AS is 1<sup>st</sup> April, 2016. As per clause (iii) of sub-rule (1) of Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015, Companies having a net worth of ₹ 500 crore or less shall comply with Ind AS for the accounting periods beginning on or after 01<sup>st</sup> April, 2017.

As the net worth of the Company is ₹ 71,27,87,277 and ₹ 79,53,50,795 as on 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 respectively which is below the threshold limit as per the above mentioned Rule. Therefore the Ind AS will be applicable to the Company w.e.f. 01<sup>st</sup> April, 2017.

**30. GOODS AND SERVICES TAX (GST)**

The introduction of Goods and Services Tax (GST) is a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, it would mitigate cascading or double taxation in a major way and pave the way for a common national market.

GST by far was one of the most critical reforms, which aims to streamline the country's complex indirect tax structure, reduce fragmentation in markets for goods and services, lower business costs and widen the overall tax base. Implementation of a well-designed GST model can provide significant growth stimulus to the business and contribute to the Prime Minister's mission of 'Make in India'.

Your Company has established a dedicated team to carry out changes to the business process & IT systems as per the GST framework.

**31. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members:

- a) Shri Sunil Talati - Chairman
- b) Shri Surendra Patel – Member
- c) Shri Viral Shah - Member

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of the co employees and the Company.

**32. GENERAL**

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.

**33. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

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

**Viral M. Shah**  
**(Chairman & Managing Director)**  
**DIN – 00014182**

**Date : 28/08/2017**  
**Place : Ahmedabad**



## ANNEXURE A - TO DIRECTORS' REPORT

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

**A. CONSERVATION OF ENERGY :****(i) Steps taken for conservation of energy**

The Company has adopted several energy conservation measures besides what had been carried out earlier. Periodical testing is being taken for each unit of power supply to verify that the energy consumed is minimized.

**(ii)** Steps taken by the Company for utilizing alternate sources of energy: NA

**(iii)** The Capital investment on energy conservation equipments: NIL

**B. TECHNOLOGY ABSORPTION :**

**(i)** Efforts towards technology absorption :Continuous endeavor to improve Product Quality & Process Yield.

**(ii)** The benefits derived like product improvement, cost reduction, product development or import Substitution: The Company is able to market its value added products in Domestic as well as International Market

**(iii)** Information regarding imported technology (Imported during last three years): NIL

**(iv)** Expenditure incurred on Research and Development : NIL

**C. FOREIGN EXCHANGE EARNING AND OUTGO :**

<b>Particulars</b>	<b>Current Year (2016-17) ₹</b>	<b>Previous Year (2015-16) ₹</b>
Foreign Exchange earned	5608.23Lacs	5899.14 Lacs
Foreign Exchange used	313.23Lacs	147.16Lacs



## ANNEXURE B TO DIRECTORS' REPORT

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

## I. REGISTRATION &amp; OTHER DETAILS:

1.	CIN	L27209GJ1999PLC036656
2.	Registration Date	29/09/1999
3.	Name of the Company	GYSCOAL ALLOYS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES/ INDIAN NON-GOVT COMPANY.
5.	Address of the Registered office & contact details	Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana, Kukarwada, Gujarat- 382830. Tel : +91-79-2763-252384 Fax +91-79- 26579387 E-mail ID : investors@gyscoal.com Website : www.gyscoal.com
6.	Whether listed Company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad – 380009

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	S.S. ANGLE BARS	99611925	77 %
2	S.S. FLAT BARS	99611925	5 %
3	S.S. ROUND BARS	99611925	10%

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Thai Indo Steel Company Limited 108a, A S Thaweekoon Building, 18 Sukhumvit Soi 70, Bangna, Bangkok – 10260, Thailand.	NA	Subsidiary	91.98%	Section 2(87)
2.	M/s. Goldman Hotels & Resorts Private Limited D-20 Puspanjali Farm, Near Bijwasan, New Delhi - 110061 India	U55101DL2016PTC307912	Associate	26%	Section 2(6)


**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity as on 31<sup>st</sup> March 2017)**

(Note : The Equity shares having a face value of ₹ 10/- each were sub-divided on 14<sup>th</sup> October, 2016 into 10 Equity Shares of ₹ 1 each.

Accordingly the number of equity shares disclosed in the table below prior to sub-division are of ₹ 10 each and after sub-division are of ₹ 1 each.)

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) (1) Promoters</b>									
(1) Indian									
a) Individual/HUF	6803353	0	6803353	42.98	68033530	0	68033530	42.98	0
b) Central Govt / State Govt.	0	0	0	0	0	0	0	0	0
c) Banks / FI	0	0	0	0	0	0	0	0	0
d) Any Other Bodies Corp.	2716809	0	2716809	17.17	29219551	0	29219551	18.46	1.29
f) Any Other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)(1)	9520162	0	9520162	60.15	97253081	0	97253081	61.45	1.30
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	9520162	0	9520162	60.15	97253081	0	97253081	61.45	1.30
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investor	112307	0	112307	0.71	1123070	0	1123070	0.71	0
f) Financial Institutions / Bank	0	0	0	0	51789	0	51789	0.03	0.03
g) Insurance Companies	0	0	0	0	0	0	0	0	0
h) Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	112307	0	112307	0.71	1174859	0	1174859	0.74	0.03



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Central Govt /State Govt / President of India	0	0	0	0	0	0	0	0	0
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
3. Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1443793	3	1443796	9.12	11689006	30	11689036	7.39	-1.73
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2465927	0	2465927	15.59	26977784	0	26977784	17.05	1.46
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories	0	0	0	0	0	0	0	0	0
e) Others (specify)	0	0	0	0	0	0	0	0	0
HUF	256236	0	256236	1.62	2771363	0	2771363	1.75	0.13
Non Resident Indians (Non Repat)	1492	0	1492	0.009	16350	0	16350	0.01	0.001
Non Resident Indians (Repat)	24594	0	24594	0.16	773420	0	773420	0.49	0.33
Clearing Members	270991	0	270991	1.71	4804571	0	4804571	3.04	1.33
Body Corporate	1732051	0	1732051	10.94	12815096	0	12815096	8.10	-2.84
Sub-total (B)(3):-	6195084	3	6195087	39.15	59847590	30	59847620	37.81	-1.34
Total Public Shareholding (B)=(B)(1)+ (B)(2)+(B)(3)	6307391	3	6307394	39.86	61022449	30	61022479	38.56	-1.30
Total (A+B)	15827553	3	15827556	100	158275530	30	158275560	100	0
C) Non Promoter - Non Public									
1) Custodian/DR Holder									
2) Employee Benefit Trust									
Grand Total (A+B+C)	15827553	3	15827556	100	158275530	30	158275560	100	0



**B) Shareholding of Promoter-**

Sr. No.	Particular	Shareholding at the beginning of the year - 2016			Shareholding at the end of the year - 2017			% 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	Viral Shah	5176396	32.70	NA	51763960	32.70	NA	-
2	General Capital & Holding Company Pvt Ltd	1538460	9.72	NA	15384600	9.72	NA	-
3	Giraben Solanki	1415735	8.94	NA	14157350	8.94	NA	-
4	Sampati Securities Limited	1178349	7.44	NA	13834951	8.74	NA	1.30
5	Zankarsinh Solanki	154857	0.98	NA	1548570	0.98	NA	-
6	Mona Shah	28284	0.18	NA	282840	0.18	NA	-
7	Dipali Shah	28081	0.18	NA	280810	0.18	NA	-
	Total	95,20,162	60.15	NA	9,72,53,081	61.45	NA	1.30

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

SN	Particulars	Shareholding at the beginning of the year - 2016		Cumulative Shareholding during the year - 2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	95,20,162	60.15		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	#		#	
	At the end of the year			9,72,53,081	61.45


**# Details of Purchase / Transfer / Inter-se Transfer**

Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	VIRAL SHAH	5176396	32.7	NIL	NIL	NIL	51763960	32.7
2	GENERAL CAPITAL & HOLDING COMPANY PVT LTD	1538460	9.72	NIL	NIL	NIL	15384600	9.72
3	GIRABEN SOLANKI	1415735	8.94	NIL	NIL	NIL	14157350	8.94
4	SAMPATI SECURITIES LIMITED	1178349	7.45	20.07.2016	25000	Purchase	1203349	7.6
				27.07.2016	25000	Purchase	1228349	7.76
				01.08.2016	50000	Purchase	1278349	8.08
				02.08.2016	68846	Purchase	1347195	8.51
				26.08.2016	25000	Purchase	1372195	8.67
				07.10.2016	6500	Purchase	1378695	8.71
				10.10.2016	-125000	Sell	1253695	7.92
				23.11.2016	100000	Purchase	12636950	7.98
				25.11.2016	248001	Purchase	12884951	8.14
				29.11.2016	100000	Purchase	12984951	8.2
				07.12.2016	200000	Purchase	13184951	8.33
				31.01.2017	300000	Purchase	13484951	8.52
31.01.2017	150000	Purchase	13634951	8.62				
				20.02.2017	200000	Purchase	13834951	8.74
5	ZANKARSINH SOLANKI	154857	0.98	NIL	NIL	NIL	1548570	0.98
6	MONA SHAH	28284	0.18	NIL	NIL	NIL	282840	0.18
7	DIPALI SHAH	28081	0.18	NIL	NIL	NIL	280810	0.18
		<b>95,20,162</b>	<b>60.15</b>				<b>9,72,53,081</b>	<b>61.45</b>

**D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	MAYURKUMAR BABUBHAI PATEL	256999	1.62	29.04.16	99801	Purchase	356800	2.25
				20.05.16	100000	Purchase	456800	2.89
				24.06.16	100000	Purchase	556800	3.52
				30.06.16	50000	Purchase	606800	3.83
				08.07.16	100000	Purchase	706800	4.47
				12.08.16	50000	Purchase	756800	4.78
				21.10.16	7568000	Purchase	7568000	4.78



Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
2	HETAL MAYURKUMAR PATEL	10000	0.06	29.04.16	100000	Purchase	110000	0.70
				13.05.16	50000	Purchase	160000	1.01
				20.05.16	50000	Purchase	210000	1.33
				23.09.16	25000	Purchase	235000	1.48
				21.10.16	2350000	Purchase	2350000	1.48
				09.12.16	250000	Purchase	2600000	1.64
				0804.16	-6006	Sell	550	0.003
3	MARFATIA STOCK BROKING PVT LTD	6556	0.04	22.04.16	11875	Purchase	12425	0.08
				29.04.16	-7250	Sell	5175	0.03
				06.05.16	8469	Purchase	13644	0.09
				20.05.16	266	Purchase	13910	0.09
				27.05.16	163339	Purchase	177249	1.12
				03.06.16	-210	Sell	177039	1.12
				10.06.16	-475	Sell	176564	1.12
				30.06.16	-45012	Sell	131552	0.83
				08.07.16	-29177	Sell	102375	0.65
				15.07.16	-102369	Sell	6	0.0000
				29.07.16	2414	Purchase	2420	0.02
				05.08.16	1099	Purchase	3519	0.02
				12.08.16	-3513	Sell	6	0.00
				19.08.16	1569	Purchase	1575	0.01
				26.08.16	50068	Purchase	51643	0.33
				02.09.16	3056	Purchase	54699	0.35
				09.09.16	2506	Purchase	57205	0.36
				16.09.16	5074	Purchase	62279	0.39
				23.09.16	18840	Purchase	81119	0.51
				30.09.16	-26414	Sell	54705	0.35
				07.10.16	5757	Purchase	60462	0.38
				14.10.16	-5757	Sell	54705	0.35
				21.10.16	1118070	Purchase	1172775	0.74
				28.10.16	-1090256	Sell	82519	0.05
				04.11.16	146001	Purchase	228520	0.14
				11.11.16	144040	Purchase	372560	0.24
				18.11.16	-302270	Sell	70290	0.04
				25.11.16	434254	Purchase	504544	0.31
				02.12.16	834805	Purchase	1339349	0.85
				09.12.16	143233	Purchase	1482582	0.94
				16.12.16	152969	Purchase	1635551	1.03
				23.12.16	-75671	Sell	1559880	0.99
				30.12.16	-11880	Sell	1548000	0.98
06.01.17	-514224	Sell	1033776	0.65				
13.01.17	-202661	Sell	831115	0.53				
20.01.17	76066	Purchase	907181	0.57				
27.01.17	-90877	Sell	816304	0.52				
03.02.17	-161483	Sell	654821	0.41				
10.02.17	1071180	Purchase	1726001	1.09				
17.02.17	-337844	Sell	1388157	0.88				
24.02.17	608893	Purchase	1997050	1.26				
03.03.17	65564	Purchase	2062614	1.30				
10.03.17	-442683	Sell	1619931	1.02				
17.03.17	199316	Purchase	1819247	1.15				
24.03.17	-315600	Sell	1503647	0.95				
31.03.17	752968	Purchase	2256615	1.43				





Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
4	GLOBE CAPITAL MARKET LTD	8650	0.05	29.04.16	205	Purchase	8855	0.06
				13.05.16	457	Purchase	9312	0.06
				10.06.16	-457	Sell	8855	0.06
				19.08.16	37285	Purchase	46140	0.29
				26.08.16	-37285	Sell	8855	0.06
				23.09.16	-50	Sell	8805	0.06
				30.09.16	10101	Purchase	18906	0.12
				07.10.16	10789	Purchase	29695	0.19
				14.10.16	132	Purchase	29827	0.19
				21.10.16	-29622	Sell	251220	0.16
				28.10.16	224180	Purchase	475400	0.30
				04.11.16	-145990	Sell	329410	0.21
				11.11.16	-103510	Sell	225900	0.14
				18.11.16	1900	Purchase	227800	0.14
				25.11.16	-400	Sell	227400	0.14
				09.12.16	650300	Purchase	877700	0.55
				16.12.16	-645507	Sell	232193	0.15
				23.12.16	5014	Purchase	237207	0.15
				20.01.17	200	Purchase	237407	0.15
				27.01.17	-214	Sell	237193	0.15
				03.02.17	103000	Purchase	340193	0.21
10.02.17	-5500	Sell	334693	0.21				
17.02.17	-97900	Sell	236793	0.15				
24.02.17	249700	Purchase	486493	0.31				
03.03.17	945339	Purchase	1431832	0.90				
10.03.17	-229456	Sell	1202376	0.76				
17.03.17	270100	Purchase	1472476	0.93				
24.03.17	-154334	Sell	1318142	0.83				
31.03.17	-30760	Sell	1287382	0.81				



Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
5	GOLDMINE STOCKS PVT LTD	25926	0.16	08.04.16	-7500	Sell	18426	0.12
				15.04.16	19400	Purchase	37826	0.24
				22.04.16	-5600	Sell	32226	0.20
				06.05.16	200	Purchase	32426	0.20
				13.05.16	8200	Purchase	40626	0.26
				20.05.16	10000	Purchase	50626	0.32
				27.05.16	-20000	Sell	30626	0.19
				10.06.16	-200	Sell	30426	0.19
				17.06.16	-5000	Sell	25426	0.16
				24.06.16	-3000	Sell	22426	0.14
				15.07.16	-10400	Sell	12026	0.08
				29.07.16	-9000	Sell	3026	0.02
				05.08.16	-3026	Sell	0	0.00
				26.08.16	-97	Sell	-97	-0.00
				02.09.16	-3	Sell	-100	-0.00
				30.09.16	400	Purchase	300	0.01
				07.10.16	-300	Sell	0	0.00
				14.10.16	40000	Purchase	40000	0.25
				21.10.16	1066800	Purchase	1066800	0.67
				28.10.16	6900	Purchase	1073700	0.68
				04.11.16	-500500	Sell	573200	0.36
				11.11.16	34000	Purchase	607200	0.38
				18.11.16	-96400	Sell	510800	0.32
				25.11.16	-302000	Sell	208800	0.13
				02.12.16	-5000	Sell	203800	0.13
				09.12.16	-1000	Sell	202800	0.13
				23.12.16	-800	Sell	202000	0.13
				30.12.16	-1900	Sell	200100	0.13
				06.01.17	1400	Purchase	201500	0.13
				13.01.17	-1500	Sell	200000	0.13
				20.01.17	500	Purchase	200500	0.13
27.01.17	1500	Purchase	202000	0.13				
03.02.17	-1000	Sell	201000	0.13				
10.02.17	1000	Purchase	202000	0.13				
17.02.17	-2000	Sell	200000	0.12				
24.02.17	300000	Purchase	500000	0.32				
03.03.17	745000	Purchase	1245000	0.77				
10.03.17	5000	Purchase	1250000	0.79				
24.03.17	5050	Purchase	1255050	0.79				
31.03.17	-5050	Sell	1250000	0.79				
6	RIDDHI SECURITIES LIMITED	113100	0.71	21.10.16	-	Sub-division	1131000	0.71
7	HYPNOS FUND LIMITED	112307	0.71	21.10.16	-	Sub-division	1123070	0.71
8	SHAILESH I PATEL	111055	0.71	21.10.16	-	Sub-division	1110550	0.71
9	ISHWARBHAI GIRDHARBHAI PATEL	109164	0.70	21.10.16	1091640	Sub-division	1091640	0.70
				18.11.16	1300	Purchase	1092940	0.69
				09.12.16	-1300	Sell	1091640	0.69



Sr. No.	Particular	Shareholding at the beginning of the year - 2016		Date	Increase / Decrease in share holding	Reason	Cumulative Shareholding during the year - 2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
10	TRILOCHAN CORPORATE SERVICES PRIVATE LIMITED	539442	3.41	29.04.16	-199901	Sell	339541	2.15
				13.05.16	-136519	Sell	203022	1.28
				24.06.16	-100000	Sell	103022	0.65
				08.07.16	-50000	Sell	53022	0.34
				07.10.16	-53022	Sell	0	0.00
				30.12.16	4683000	Purchase	4683000	2.96
				24.03.17	400000	Purchase	5083000	3.21

**E) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding at the beginning of the year - 2016		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding at the end of year 2017	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Viral Shah	5176396	32.70	-	-	-	51763960	32.70
2	Zankarsinh Solanki	154857	0.98	-	-	-	1548570	0.98

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(₹ In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	7316.49	1805.13	NIL	9121.62
ii) Interest due but not paid	429.46	NIL	NIL	429.46
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>7745.95</b>	<b>1805.13</b>	<b>NIL</b>	<b>9551.08</b>
Change in Indebtedness during the financial year				
* Addition	108.61	1189.15	NIL	1297.76
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>108.61</b>	<b>1189.15</b>	<b>NIL</b>	<b>1297.76</b>
Indebtedness at the end of the financial year				
i) Principal Amount	6664.35	2994.28	NIL	9658.63
ii) Interest due but not paid	1190.20	NIL	NIL	1190.20
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>7854.56</b>	<b>2994.28</b>	<b>NIL</b>	<b>10848.84</b>


**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**(₹ In Lacs)**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Viral Shah - MD	Mr. Zankarsinh Solanki - WTD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.14	5.47	14.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission - as % of profit - others, specify...	---	---	---
5	Others, please specify	---	---	---
	Total (A)	9.14	5.47	14.60
	Ceiling as per the Act	₹ 120 Lacs (As per Schedule V of the Companies Act, 2013)		

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Sunil Talati	Mr. Surendra Patel	Mrs. Bharti Dhanak	
	Fee for attending board committee meetings				
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
	Total Managerial Remuneration	---	---	---	---
	Overall Ceiling as per the Act	---	---	---	---


**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(₹ In Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.21	1.78	8.99
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission	---	---	---
	- as % of profit			
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	<b>Total</b>	7.21	1.78	8.99

\* Appointed w.e.f. May 30, 2016.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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



## ANNEXURE C TO DIRECTORS' REPORT

## FORM AOC - 1

[Pursuant to first proviso to sub-section [3] of section 129 read with rule 5 of Companies Accounts] Rules, 2014]

**Statement containing salient features of the Financial Statement of Subsidiary / Associate as per Companies Act, 2013**

Particulars	PART "A" SUBSIDIARY		PART "B" ACCOCIATES & JV
Name of the subsidiary	Thai Indo Steel Company Ltd		Goldman Hotels & Resorts Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.12.2015 to 30.11.2016		4.11.2016 to 31.03.2017
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	BHAT	INR
Share capital	5,97,97,376.48	2,49,50,000.00	1,00,000
Reserves & Surplus	(20,01,943.00)	(12,99,639.00)	(1,78,374)
Total assets	9,10,18,645.00	4,75,91,828.00	5,24,29,126
Total Equity & Liabilities	9,10,18,645.00	4,75,91,828.00	5,24,29,126
Investments	-	-	-
Turnover	-	-	-
Profit before taxation	(16,965.00)	(9,746.00)	(1,78,374)
Provision for taxation	-	-	-
Profit after taxation	(16,965.00)	(9,746.00)	(1,78,374)
Proposed Dividend	-	-	-
% of shareholding	91.98%	91.98%	26%

1. Names of Subsidiaries / JV & Associates which are yet to commence operations – Thai Indo Steel Company Ltd & M/s. Goldman Hotels & Resorts Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year – N.A.



## ANNEXURE D TO DIRECTORS' REPORT

DETAILS PERTAINING TO EMPLOYEES AS  
REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

- (i) 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 :

(₹ In Lacs)

Sr. No	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY 2016-17 (₹ In Lacs)	% increase in Remuneration in the FY 2016-17	Ratio of remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Viral Shah, Managing Director	9.14	7.53%	5.71	Loss before Tax Decrease by ₹ 592.60 Lacs and Loss after Tax decreased by ₹ 499.53 Lacs in financial year 2016-17 compare to previous Year 2015-2016
2	Mr. Zankarsinh Solanki, Whole Time Director	5.47	7.68%	3.42	
3	Mr. Kalpesh Patel, CFO	7.21	7.77%	4.51	
4	Ms. Priti Kakkar, CS#	1.78	---	1.11	

# Appointed w.e.f. May 30, 2016.

- The median remuneration of employees of the Company was ₹ 1.60 lakh and there was no increase in the median remuneration of employees during the financial year;
- There were 84 permanent employees on the rolls of Company as on March 31, 2017;
- Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 10 %;
- 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;
- The disclosure require as per Rule 5(2) Section 197 is not applicable as there were no employees drawing remuneration exceeding the limit.

**ANNEXURE E TO DIRECTORS' REPORT****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2017****[Pursuant to section 204(1) of the Companies Act, 2013 and  
rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**Gyscoal Alloys Ltd.**  
Plot No.2/3 GIDC Ubkhal, Kukarwada,  
Tal. Vijapur, Dist.: Mehsana 382830  
CIN: L27209GJ1999PLC036656

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gyscoal Alloys Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company (books, papers, minute books, forms and returns filed and other records maintained by the company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2017, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;---
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the company during the Audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not Applicable;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; -
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - - Not Applicable; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - - Not Applicable;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015;
- (VI) Other Applicable Acts, - As per Management representation there are no other specific act applicable to the company

We 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 Stock Exchange(s), - BSE Limited & National Stock Exchange of India Limited

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

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

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

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

**We further report that** during the audit period, except the event listed below, no other events occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards and that the Company has complied with such of those relevant clauses thereto which are applicable:

- a. The Company has sub-divided its equity shares of face value of ₹ 10/- each to ₹ 1/- each, pursuant to the approval accorded by the members on September 29, 2016, in the 17<sup>th</sup> Annual General Meeting of the Company.

**Chirag Shah**  
*Proprietor*

**Chirag Shah & Associates**  
FCS No. 5545  
C P No.: 3498

**Place : Ahmedabad**  
**Date : 21/08/2017**

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

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**'Annexure A'**

To,  
The Members  
**Gyscoal Alloys Ltd**

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Chirag Shah**  
*Proprietor*

**Chirag Shah & Associates**  
FCS No. 5545  
C P No.: 3498

**Place : Ahmedabad**  
**Date : 21/08/2017**



**ANNEXURE F TO DIRECTORS' REPORT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Scenario of Steel Industry:****Global Steel Industry**

World crude steel production stood at 1628.5 million tonnes during 2016, an increase of 0.8 per cent over 2015 based on provisional data released by the World Steel Association (world steel). During 2016, Chinese crude steel production reached 808.4 million tonnes, a growth of 1.2 per cent over 2015. China remained the largest crude steel producer in the world, accounting for 73 per cent of Asian and 49 per cent of world crude steel production during 2015. India was the 3rd largest crude steel producer during 2016 and recorded a production growth of 7.4 per cent over 2015.

**Top 5 Steel producing Countries**

Rank	Country	2016(Mt)	2014(Mt)	% 2015/2016
1	China	808.4	803.8	1.2
2	Japan	104.8	105.2	-0.3
3	India	95.60	89.6	7.4
4	United States	78.6	78.9	-0.3
5	Russia (a)	70.8	71.1	-0.1

In 2016, India retained its position as the fastest growing major steel economy in the world and our share in global steel production was 5.5 % in 2015, which has increased to 5.9 % in 2016. India would continue to lead the growth trend in world steel industry and is on its way to become world's second largest steel producer. The gap between India and Japan was 16 million tonnes in 2015, which has come down to 9 million tonnes in 2016.

The global economic activity has begun to pick up with slow but steady recovery in investment, manufacturing and trade. World growth is expected to rise from 3.1% in 2016 to 3.5% in 2017 and further move up to 3.6% in 2018 according to the world economic output report by IMF, released in April 2017.

**Steel Industry in India**

India is currently the world's 3rd largest producer of crude steel against its 8th position in 2003 and is expected to become the 2nd largest producer of crude steel in the world soon. India is the largest producer of direct reduced iron (DRI) or sponge iron in the world. The country is also the 3rd largest consumer of finished steel in the world preceded by China and the USA.

Capacity for domestic crude steel production expanded from 90.87 million tonnes per annum (mtpa) in 2011-12 to 121.97 mtpa in 2015-16, a CAGR growth of 9% during this five year period. Crude steel production grew at 5% annually (CAGR) from 74.29 mtpa in 2011-12 to 89.79 mtpa in 2015-16.

India's per capita steel consumption of 61 kg is far below the global consumption average of 208 kg. The Government of India plans to embark on an ambitious plan to increase the per capita steel consumption to 160 kg by the year 2030. To achieve this ambitious target the Government will have to increase its expenditure in a variety of steel consuming sectors such as infrastructure, railways, defence, shipbuilding, and automobile thereby resulting in a significant increase in demand for steel in the country.

However, according to estimates by the Central Statistics Office (CSO), India's GDP growth has moderated in FY 2016-17 to 7.1% from 7.9% recorded in the previous financial year. This happened largely owing to the demonetisation initiative that led to temporary de-circulation of money. The situation has largely normalised, following the Government's re-monetisation process.

**INDIAN ECONOMY:**

The financial year 2016-17 has been a year marked with both excitement and challenges for the global as well as the Indian economy. Some of the events that took place during the course of this year could very well turn out to be the defining moments for the world economy at large. The sheer scale and swiftness with which the Indian Government demonetised almost 86% of the currency notes in circulation in November 2016 is one such event. and Consequently, GDP growth for the year is expected to be almost 1% lower at 6.7% than that in the previous year. Despite some decline in growth due to slowdown in manufacturing and demonetisation, India remained the fastest growing major economy with 7.1% yoy growth (forecasted).

India also saw passing of long awaited GST bill. GST has been implemented from 1<sup>st</sup> July, 2017 and will provide a huge fillip to industry as it simplifies the tax structure in the country.

**OVERVIEW OF THE COMPANY AND ITS BUSINESS:**

Gyscoal Alloys Limited is engaged in the business of manufacturing of Stainless Steel and Mild Steel Long Products from scrap since 1999. The plant for the production activities & registered office of the Company is located at Ubkhal, Kukarwada, Vijapur – Taluka, Mehasana– District. The Corporate office of the company is situated at 2<sup>nd</sup> Floor, Mrudul Tower, Near Times of India, Ashram Road, Ahmedabad.

The Company has the capacity to manufacture all grades of Stainless Steel Products from 200 series to 400 series. The products are primarily used in the construction in chemical plants, Pharmaceutical plants, building construction, railways and other sectors for structural purpose. The Company's products adhere to high quality standards and it has got ISO 9001:2008 certification for "the manufacture and supply of stainless steel and mild steel based angles, channels, flats, round, square, bright, twisted bars, billets and ingots" adhering to IS 2062 & IS 1786" from BSI Management Systems. The Company has also been successful in producing goods according to needs and specifications of its domestic & foreign buyers.

During the financial year 2010-11, the Company entered the Capital Market with Initial Public Offer (IPO) aggregating to approximately ₹ 5467 lacs. The details of full Utilization of IPO proceeds forms part of Director's Report of the Company.

**FINANCIAL PERFORMANCE OF THE COMPANY:**

- During FY 2016-17, the Company recorded a total income of ₹15756.43 lacs, of which income from the operations was ₹ 15715.21 lacs.
- During the year FY 2016-17, Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) was ₹ 1433.64 lacs.
- During the year FY 2016-17, Depreciation was ₹ 920.15 lacs, Interest and Finance charges were ₹ 1439.26 lacs and Profit before Tax (PBT) was ₹ (925.77) lacs. And Profit After tax (PAT) was ₹ (825.63) lacs.
- Basic & diluted Earnings per Share (EPS) was ₹ (0.52).
- As on March 31, 2017 the Net worth of the Company was ₹ 7127.87 lacs.

**SWOT ANALYSIS OF THE COMPANY:****Strength:**

- Management depth and ability to manage client relationships.
- R & D capabilities to develop efficient and cost effective process at short notice having a State of the Art dedicated R & D Center.
- Multi-purpose and multi-production facilities having Quality Certifications.
- Enhanced presence in the market through clientele basis.

**Threats:**

- The Company faces stiff competition from medium and larger well-established players. The Company is smaller in size compared to the market leaders. However with capital expenditure in the project of the company it intends to make it good and face competition more confidently.

**RISKS AND CONCERNS:**

Your company is mainly focusing on R & D and manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions.

**INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT:**

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

The Company as at year end has 84 employees on its role and continues to attract talent both from within and outside India to further its business interests. Industrial relations continue to be cordial.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Internal Financial Control that encompass the policies, processes and monitoring systems for assessing and mitigating operational, financial and compliance risks and control over related party transactions, substantially exist. Your Company has appropriate internal control system for business processes, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations. In the Company, the Board of Directors is responsible for ensuring the adequacy and effective monitoring of internal financial controls. The Internal Audit Program is designed in consultation with the Statutory Auditors to ensure accuracy and reliability of accounting data and is monitored by the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. The Company's internal audit team also carries out extensive audits throughout the year, across all functional areas.

**CAUTIONARY STATEMENT:**

Statement made in the Management Discussion & Analysis describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates changes in the government regulations, tax laws & other statutes & other incidental factors.



## ANNEXURE G TO DIRECTORS' REPORT

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015).

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is based on the principal of truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large. The Company believes that better corporate governance can be achieved through increased transparency in its operations and has taken and will continue to take various measures towards achievement of good corporate governance. It is a tool to judge and evaluate the standards and ethics of Corporate Management.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR Regulations)") as amended, the details of which are given below:

### 2. BOARD OF DIRECTORS

#### 2.1. Composition of the Board:

- As on 31<sup>st</sup> March, 2017, Company's Board comprises of five directors two of whom are executive directors (including Chairman cum Managing Director & Whole Time Director) and remaining are Independent and Non-Executive Directors of the Company.
- Necessary disclosure regarding their Directorship/Membership in other companies has been made by each and every Director.
- The Names and categories of the Directors on the Board, their attendance in the Board Meeting and in last Annual General Meeting, Number of other Directorship & Chairmanship/ Membership held by them in other companies during the year 2016-17 is given below.

Name of Directors	Category of Directors	Number of Board Meetings held & Attended during 2016 - 2017		Attendance at the last AGM Held	Directorships in other Indian Public Companies* as at 31 <sup>st</sup> March 2017	Other Mandatory Committees** membership as at 31 <sup>st</sup> March, 2017	
		Held	Attended			Chairman	Member
Mr. Viral M. Shah DIN : 00014182	Chairman cum Managing Director	5	5	YES	2	NIL	4
Mr. Zankarsinh K. Solanki DIN : 00014226	Whole-time Director	5	5	YES	1	NIL	NIL
Mr. Sunil Talati DIN : 00621947	Independent & Non Executive Director	5	4	YES	4	3	1
Mr. Surendra Patel DIN : 05171249	Independent & Non Executive Director	5	5	YES	2	2	1
Mrs. Bharti Dhanak DIN : 03568121	Independent & Non Executive Director	5	1	NO	NIL	NIL	NIL

\* This includes Directorships held in Public Ltd. Companies and Subsidiaries of Public Ltd. Companies and excludes Directorships in Private Ltd. Companies and Overseas Companies.

\*\* For the purpose of Committees of Board of Directors, only Audit and Stakeholders' Relationship Committees in other Public Ltd. Companies and Subsidiaries of Public Ltd. Companies are considered.

#### 2.2 Directors retire by rotation

Shri Viral M Shah is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. Relevant details pertaining to Shri Viral M Shah are provided in the Notice of the AGM.

**2.3 Relationships between the directors interse**

There is no relationship between the directors interse.

**2.4 Board Meetings:**

- During the financial year 2016-17 the Board of the Company met 5(five) times on 30/05/2016, 12/08/2016, 29/09/2016, 10/11/2016, and 10/02/2017. Time elapsed between any two conductive meetings never exceeded 120 Days.

**3. DIRECTORS' SHAREHOLDING**

Shareholding of the Directors in the Company as on 31<sup>st</sup> March, 2017

Names of Directors	*No. of shares held	Percentage of share-holding
Mr. Viral M. Shah	51763960	32.70
Mr. Zankarsinh K. Solanki	1548570	0.98

\* Subsequent to sub-division of equity shares on 14<sup>th</sup> October, 2016, the face value of share of the Company was reduced from ₹ 10/- to ₹ 1/-.

The remaining directors viz. Mr. Sunil Talati, Mr. Surendra Patel and Mrs. Bharti Dhanak do not hold any shares in the Company.

**4. MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors met on 24<sup>th</sup> April, 2016, inter alia, to discuss and:

- Review of Managerial Remuneration;
- Review the performance of Non Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company and taking into account the views of executive directors and non- executive director;
- To review the mechanism of safeguard the interests of all stakeholders, particularly the minority shareholders and take necessary steps to balance the conflicting interest of the stakeholders;

All the Independent Directors were present at the meeting.

**5. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In accordance with the provisions of the Listing Regulations, the Company has put in place the programme to familiarise Independent Directors with respect to the nature of the industry in which the Company operates, business model, the roles, rights and responsibilities of the Independent Directors etc. Details of the familiarisation programme for Independent Directors are provided in the Corporate Governance Report, annexed herewith and is also available on our website policy-prog-Director.pdf. website [www.gyscoal.com](http://www.gyscoal.com).

**6. AUDIT COMMITTEE:****6.1 Composition**

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time. Presently, the Audit Committee comprises qualified and independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The present composition of the Audit committee and Meetings attended by them during the financial year 2016-17 ended on 31<sup>st</sup> March, 2017, is as follow:

Name of the Members	Designation	Nature of Directorship	Number of Meetings during F.Y 2016-17	
			Held	Attended
Mr. Sunil H. Talati	Chairman	Independent & Non-Executive Director	5	4
Mr. Surendra C. Patel	Member	Independent & Non-Executive Director	5	5
Mr. Viral Shah	Member	Executive Director	5	5

**6.2 Meetings of Audit Committee**

During the financial year 2016-17 the Audit Committee met 5(five) times on 30/05/2016, 12/08/2016, 29/09/2016, 10/11/2016, and 10/02/2017. Time elapsed between any two conductive meetings never exceeded 120 Days.

The Statutory Auditors, Internal Auditors of the Company and Finance personnel were invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

Ms. Priti Kakkar, Company Secretary and Compliance Officer w.e.f. 30<sup>th</sup> May, 2016 acted as Secretary of the Committee and Mr. Sunil Talati being a Chairman of the Audit Committee, attended the last Annual General Meeting held on 29<sup>th</sup> September, 2016 to answer the shareholder's query.

**6.3 Terms of reference and Powers of the Audit Committee**

The scope of Audit Committee shall include, but shall not be restricted, to the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;



16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the Management letters/ letters of Internal Control weaknesses issued by Statutory Auditor.
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
22. Review of Management discussion and analysis of financial condition and results of operations;
23. Review of Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
24. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;
25. Review of Internal audit reports relating to internal control weaknesses; and
26. Review of appointment, removal and terms of remuneration of the Chief internal auditor.
27. Statement of deviations :
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
  - b. annual statement of funds utilized for purposes other those stated in the offer document/ prospectus or Notice.

## **7. NOMINATION & REMUNERATION COMMITTEE**

In accordance with the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee is vested with all the necessary powers and authorities to recommend and ensure appropriate disclosure on the remuneration of Managing Director, Whole-time Director and other Directors. The remuneration policy of the Company is based on several criterions which include responsibility, performance, potentials of the director and growth of the Company.

### **7.1 Meeting, Attendance & Composition:**

The present composition of the Committee and Meetings attended by them during the financial year ended 31<sup>st</sup> March, 2017, is as follow:

Name of the Members	Designation	Nature of Directorship	Number of Meetings during F.Y 2016-17	
			Held	Attended
Mr. Sunil Talati	Chairman	Independent & Non Executive Director	2	2
Mr. Surendra Patel	Member	Independent & Non Executive Director	2	2
Mrs. Bharti Dhanak	Member	Independent & Non-Executive Director	2	0

The Quorum of the Committee is of two members.

The Company Secretary acts as secretary of the Committee.

### **7.2 Meetings of Nomination & Remuneration Committee**

During the year, Meetings of the Committee were held on 30.05.2016 & 12.08.2016.

### **7.3 Term of Reference**

1. Identify Individual qualified to be become Director and who may be appointed in senior management in accordance with the criteria laid down.
2. Recommend to the Board their appointment and removal
3. Carry out evaluation of every director's performance





4. Formulate criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees
5. While formulating the policy shall ensure that :
  - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate director of the quality required to run the company successfully.
  - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - c) Remuneration to directors, key managerial personnel and senior managerial management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.
6. Formulation of the criteria for evaluation of Independent Directors and the Board
7. Devising a Policy on Board Diversity
8. Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
9. Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company, and to recommend measures to implement the same;
10. Examine all major aspects of the Company's organizational health, and recommend changes as necessary, including
  - Organization design;
  - Management and employee hiring, training, development, deployment and motivation;&
  - Internal communication and culture building.
11. Review the Company's ESOP Schemes and recommend changes as necessary; oversee administration of the ESOP Schemes:
  - Grant Options to eligible employees, in consultation with management; and
  - Allot shares when options are exercised.
12. Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

#### **7.4 Object and purpose of Remuneration Policy:**

The Policy inter alia provides for the following:

- (a) attract, recruit, and retain good and exceptional talent;
- (b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- (f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

#### **7.5 Remuneration of Executive, Non-Executive Director, KMP and Senior Management Personnel including Independent Director:**

The Company has laid down the criteria for making payments to the Executive, Non Executive Director, KMP and Senior Management Personnel. The details of such criteria are available in the Remuneration Policy disseminated on the website of the Company [www.gyscoal.com](http://www.gyscoal.com).



Details of remuneration of Directors for the year ended 31<sup>st</sup> March, 2016 are as under:

Name of Directors	Salary & Perquisites	Sitting Fee paid during FY – 2016-17		Commission	Total	No. of Shares held during the year 2016-17
		Board Meeting	Committee Meeting			
Mr. Viral Shah	9.14	NIL	NIL	NIL	9.14	51763960
Mr. Zankarsinh Solanki	5.47	NIL	NIL	NIL	5.47	1548570
Mr. Sunil Talati	NIL	NIL	NIL	NIL	NIL	NIL
Mr. Surendra Patel	NIL	NIL	NIL	NIL	NIL	NIL
Mrs. Bharti Dhanak	NIL	NIL	NIL	NIL	NIL	NIL

## 8. STAKEHOLDERS' GRIEVANCE COMMITTEE

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

### 8.1 Composition:

The present composition of the Stakeholders Relationship Committee and Meetings attended by them during the financial year 2016-17 ended on 31<sup>st</sup> March, 2017, is as follow:

Name of the Members	Designation	Nature of Directorship	Number of Meetings during F.Y 2016-17	
			Held	Attended
Mr. Surendra Patel	Chairman	Independent & Non-Executive Director	2	2
Mr. Sunil H. Talati	Member	Independent & Non-Executive Director	2	2
Mr. Viral Shah	Member	Executive Director	2	2

### 8.2 Meetings of Stakeholders Grievance Committee

Two (2) Stakeholders Relationship Committee Meetings were held during the year 2016-17 on 12/08/2016 and 10/02/2017.

### 8.3 Terms of Reference

1. Efficient transfer of shares, including review of cases for refusal of transfer/ transmission of shares and debentures.
2. Redressal of shareholder and investors complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.;
3. Issue of duplicate/Split/Consolidated Share Certificates;
4. Allotment and listing of Shares;
5. Review of cases for refusal of transfer/ transmission of Shares and Debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. To ensure proper and timely attendance and Redressal of investor queries and grievances;

### 8.4 Investor Grievance Redressal:

Details of complaints received and redressed during the year:

Number of complaints received and resolved during the year under review of the Company and its breakup for the year 2016-17 is as under:

Received From	Complaint Received	Complaint Resolved	Pending Complaints
Letters from Investors	NIL	NIL	NIL
N.S.E	NIL	NIL	NIL
B.S.E	NIL	NIL	NIL
SEBI Scores	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>



**9. ANNUAL EVALUATION OF BOARDS' PERFORMANCE**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee of the Board is also required to carry out evaluation of every Director's performance. Accordingly, your Company has carried out the performance evaluation during the year under review.

For annual performance evaluation of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a criteria in consultation with its Nomination & Remuneration Committee. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

For evaluation of the entire Board and its Committees a structured questionnaire covering various aspects of the functioning of the Board, its Committee and individual Director is in place and is based on "Guidance Note on Board Evaluation" as prescribed by SEBI vide its circular dated 5<sup>th</sup> January, 2017. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by giving rating, remarks and suggestions on their performances.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2016-17. The Directors expressed their satisfaction with the evaluation process.

**10. GENERAL BODY MEETINGS**

**a) The last three Annual General Meetings were held as under:**

<b>For the year Ended</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>	<b>No. of Special Resolutions passed</b>
31.03.2016	Plot No.2/3 GIDC Ubkhal, Kukarwada, Tal Vijapur, Dist. Mehsana	29.09.2016	11:00 a.m.	0
31.03.2015	Plot No.2/3 GIDC Ubkhal, Kukarwada, Tal Vijapur, Dist. Mehsana	30.09.2015	11:00 a.m.	2
31.03.2014	Plot No.2/3 GIDC Ubkhal, Kukarwada, Tal Vijapur, Dist. Mehsana	30.09.2014	10:00 a.m.	3

**b) Resolution passed through postal ballot**

During the year ended 31<sup>st</sup> March, 2017, company has not passed any resolution through postal ballot.

**c) Extra-Ordinary General Meeting (EGM)**

There was no Extra-Ordinary General Meeting held during the year 2016-17.

**11. DISCLOSURES**

**1. Related Party Transaction:**

There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2016 – 2017. Full disclosure of related party transactions as per accounting standard 18 issued by The Institute of Chartered Accountants of India is given under Note No. 32 of Notes Forming part of accounts for the year ended on 31<sup>st</sup> March, 2017.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Regulations is as under: [www.gyscoal.com](http://www.gyscoal.com).

**2. Details of Compliance:**

There has been no instance of non-compliance by the Company on any matter related to capital markets, during the last three years and hence no penalties or strictures have been imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority.

**3. Vigil Mechanism**

The Company believes in conducting its affairs in a fair and transparent manner to nurture professionalism, honesty, integrity and ethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

Such Protected Disclosures can be made through a phone call, email or in writing.

**4. Policies adopted during the year:**

During the Financial Year 2016-17, no policy was adopted during the year.

**5. Policy on Protection of Women against Sexual Harassment at Workplace:**

The Company strongly believes in providing a safe and harassment free workplace to all its employees. The Company continuously endeavours to create and provide an environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. For this purpose, the Company has in place 'Policy of Protection of Women against Sexual Harassment at Work Place' and also formed Complaint Redressal Committees at various administrative units/ Offices.

During the Financial Year 2016-17, the Company received no complaint of sexual harassment.

**6. CEO / CFO Certification**

The Chairman and Managing Director and CFO have submitted certificate, in terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, to the Board.

**7. Code of Conduct:**

The Code of Conduct adopted by the Company has been posted on the website of the Company. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code of Conduct for the effective period.

**8. Mandatory & Non-Mandatory Clauses:**

The Company has complied with all mandatory requirements laid down by Listing Regulations. The non-mandatory requirements complied with have been disclosed at the relevant places.

**12. MEANS OF COMMUNICATIONS**

- Financial Results: The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as 'Financial Express' in English & Gujarati and are displayed on the website of the Company [www.gyscoal.com](http://www.gyscoal.com).
- News Releases, Presentation etc.: There were no news releases, press releases etc. made to the Institutional Investors or to analyst. The same are not displayed on the Company's website.
- Website: The Company's website [www.gyscoal.com](http://www.gyscoal.com) contains a separate dedicated section "Investor Relations" where shareholders information is available. The Annual Report of the Company is also available on the website in a downloadable form.

**13. GENERAL SHAREHOLDERS' INFORMATION****a) Date, Day, Time and Venue for holding 18<sup>th</sup> Annual General Meeting :**

28<sup>th</sup> September, 2017, 11.00 a.m. at Plot No. 2/3, GIDC, Ubkhal, Kukarwada, Ta Vijapur, Dist: Mehsana, Gujarat, 382830.

**b) Financial Year: 2017-2018 (Tentative)**

The financial year of the Company is 1<sup>st</sup> April to 31<sup>st</sup> March and financial results will be declared as per the following schedule.

**Particulars****Tentative Schedule**

Quarter ending 30<sup>th</sup> June, 2017

On 14<sup>th</sup> September, 2017

Quarter ending 30<sup>th</sup> September, 2017

On or before 14<sup>th</sup> December, 2017

Quarter ending 31<sup>st</sup> December, 2017

On or before 14<sup>th</sup> February, 2017

Quarter ending 31<sup>st</sup> March, 2018

Within 60 days from 31<sup>st</sup> March, 2018

**c) Registered Office of the Company:** Plot No. 2/3, GIDC, Ubkhal, Kukarwada, Ta Vijapur, Dist: Mehsana, Gujarat, 382830**d) Corporate Office:** 2<sup>nd</sup> Floor, Mrudul Tower, B/h Times of India, Ashram Road, Ahmedabad 380009**e) Listing Date:** 27<sup>th</sup> October, 2010**f) Financial Year:** Financial Year is 1<sup>st</sup> April to 31<sup>st</sup> March.**g) Dividend:** Nil**h) Book closure date:** The Register of Members and Share Transfer Books of the Company will be closed from



Friday, 22<sup>nd</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (both days inclusive) for the purpose of 18<sup>th</sup> Annual General Meeting.

**i) Listing on Stock Exchanges:**

The Company's shares are listed on the following Stock Exchanges:

Name of Stock Exchange	Address	Code
Bombay Stock Exchange Limited	Floor 25, P. J Towers, Dalal Street, Mumbai - 400 001	533275
National Stock Exchange of India Limited	Exchange Plaza, BandraKurla Complex, Bandra (E), Mumbai - 400 051	GAL

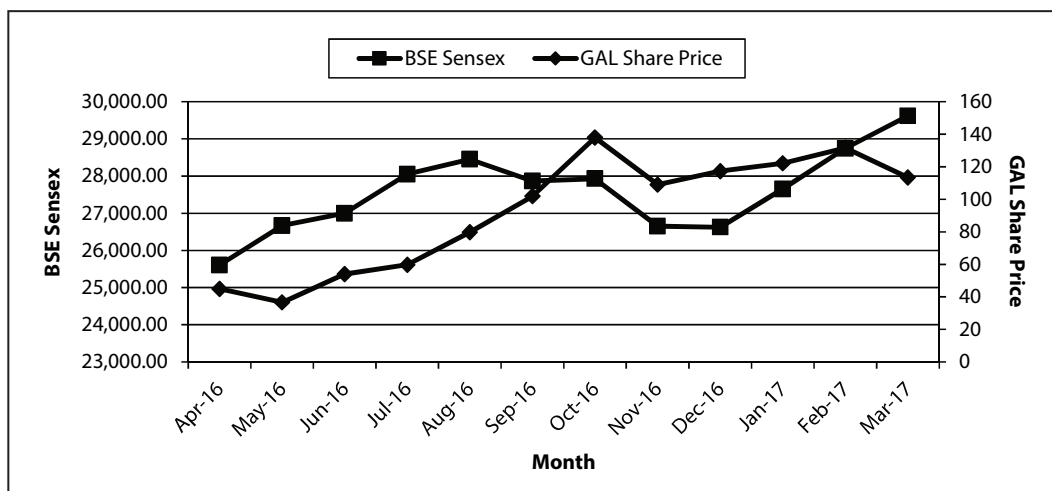
- Annual Listing Fees for the year 2017-18 has been paid by the Company to BSE and NSE.
- The ISIN allotted to the Company's Equity Shares under the depository system is INE482J01021.

**j) Market Price Data and Performance of the share price of the Company in comparison to BSE and NSE:**

Month	BSE			NSE		
	Monthly High (₹)	Monthly Low (₹)	Volume (No. of Shares)	Monthly High (₹)	Monthly Low (₹)	Volume (No. of Shares)
Apr-16	50.15	32.60	14,08,684	49.70	32.50	22,65,368
May-16	53.90	36.50	7,48,927	53.80	37.00	20,56,995
Jun-16	54.70	36.20	6,65,052	53.70	35.15	16,85,834
Jul-16	69.65	53.15	8,23,742	68.00	52.60	24,39,407
Aug-16	92.15	60.20	8,08,620	94.40	58.20	27,55,676
Sep-16	124.00	71.20	14,41,795	124.00	71.30	55,81,755
Oct-16	12.40*	10.45*	71,51,332*	14.95*	10.14*	3,39,70,988*
Nov-16	14.00*	8.55*	64,84,448*	14.00*	8.55*	2,12,76,305*
Dec-16	14.85*	10.25*	43,80,224*	14.70*	10.35*	1,66,47,329*
Jan-17	13.59*	11.21*	87,14,786*	13.70*	11.20*	2,70,47,040*
Feb-17	14.95*	12.13*	1,00,53,057*	14.90*	12.10*	4,48,12,557*
Mar-17	14.39*	10.63*	51,02,162*	14.45*	11.00*	2,93,64,972*

\* Equity Shares of ₹ 10/- face value sub-divided into 10 equity shares of ₹ 1/- face value w.e.f. October 14, 2016.

**k) Performance in comparison to broad-based indices such as BSE Sensex.**



l) Shareholding as on 31<sup>st</sup> March, 2017(i) Shareholding Pattern Category wise as on 31<sup>st</sup> March, 2017

Category	No. of shares held	% of holding
Corporate Bodies (Promoter Co)	29219551	18.46
Clearing Members	4804571	3.04
Other Bodies Corporate	12815096	8.10
Financial Institutions	150	0.00
Hindu Undivided Family	2771363	1.75
Non Nationalised Banks	51639	0.03
Non Resident Indians	773420	0.49
Non Resident (Non Repatriable)	16350	0.01
Public	38666820	24.43
Promoters	68033530	42.98
Foreign Portfolio Investors (Corporate)	1123070	0.71
<b>TOTAL :</b>	<b>158275560</b>	<b>100.00</b>

(ii) Distribution of Shareholding as on 31<sup>st</sup> March, 2017

Range of shares	SHAREHOLDERS		SHARES	
	No. of Shareholders	Percentage of Total	No. of shares	Percentage of Total
01 to 500	2117	41.34	471949	0.30
501 to 1000	1076	21.01	985370	0.62
1001 to 2000	765	14.94	1306611	0.83
2001 to 3000	286	5.58	760106	0.48
3001 to 4000	123	2.40	456726	0.29
4001 to 5000	195	3.81	951637	0.60
5001 to 10000	216	4.22	1727073	1.09
10001 & above	343	6.70	151616088	95.79
<b>TOTAL</b>	<b>5121</b>	<b>100.00</b>	<b>158275560</b>	<b>100.00</b>

## m) Dematerialization of Equity Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.99% of the share capital are dematerialized as on 31<sup>st</sup> March, 2017. The Company's shares are regularly traded on the 'Bombay Stock Exchange Limited' and 'National Stock Exchange of India Limited' in dematerialized form.

Registrar & Transfer Agents : Link Intime India Pvt. Ltd

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel No : +91 22 49186270 Fax: +91 22 49186060

E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) • Website : [www.linkintime.co.in](http://www.linkintime.co.in)

## n) Share Transfer Procedure:

As on 31<sup>st</sup> March, 2017, 99.99% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories without intervention of the Company. For transfer of physical shares, the transfer document can be lodged with Link Intime India Private Limited at the address mentioned in this Annual Report. The transfer of shares in physical form is processed within 15 days from the date of receipt, if the documents are complete in all respects. Shareholders' Relationship Committee is empowered to approve transfer. All the transactions related to share transfer, change of address, dividend, share certificate etc., should be addressed to R&T Agent of the Company at the address mentioned in this Annual Report. Pursuant to Regulation 40(9) of the Listing Regulations with the Stock Exchanges, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities. The Company has filed the copy of these certificates with the stock exchange as required.

**o) Outstanding GDRs / ADRs / Warrants / any other convertible instruments**

The Company does not have any outstanding instruments of the captioned type.

**p) Address of Correspondence:**

The shareholders may address their communications /suggestions / grievances /queries to:

**Ms. Priti Kakkar**

Company Secretary & Compliance Officer

Gyscoal Alloys Limited

Corp. Office: 2<sup>nd</sup> Floor, Mrudul Tower, B/h Times of India, Ashram Road, Ahmedabad 380009

Phone: 079-26574878 • Fax: 079-26579387

Email: [investors@gyscoal.com](mailto:investors@gyscoal.com) • Website: [www.gyscoal.com](http://www.gyscoal.com)

**M/s. Link Intime India Pvt. Ltd**

5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad – 380009

Tel: +91-79- 26465179 Fax : +91-79-26465179 Emailid:- [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**q) Site Location:** Gyscoal Alloys Ltd., Plot No. 2/3 GIDC Ubkhal, Kukarwada, Vijapur, District - Mehsana, Gujarat**r) Outstanding GDRs /ADRs / Warrants or any convertible instrument, conversion and likely impact on equity: NIL**

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**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENT**

To,

The Members of

**Gyscoal Alloys Limited**

We have examined the compliance of conditions of Corporate Governance by **Gyscoal Alloys Limited** ("the Company") for the year ended 31<sup>st</sup> March, 2017 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Chirag Shah**  
Proprietor

**Chirag Shah & Associates**

FCS No. 5545

C P No.: 3498

Date : 28.08.2017

Place : Ahmedabad

**CERTIFICATION BY MANGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO)**

To  
The Board of Directors  
**Gyscoal Alloys Limited,**  
2nd Floor, Mrudul Tower,  
B/H Times of India,, Ashram Road,  
Naurangpura, Ahemdabad, 380009, Gujarat.

**CERTIFICATION BY CHIEF FINANCIAL OFFICER AND MANAGING DIRECTOR**

We, Viral M Shah, Chairman & Managing Director and Kalpesh Patel, CFO – Chief Financial Officer of the Company M/s. Gyscoal Alloys Limited, hereby certify that for the financial year ending 31<sup>st</sup> March, 2017:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We further certify that we have indicated to the auditors and the Audit committee:
- (1) There have been no significant changes in internal control over financial reporting during the year;
  - (2) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Place : Ahmedabad**  
**Date : 29/05/2017**

**Viral M Shah**  
**Chairman and Managing Director**  
**DIN - 00014182**

**Kalpesh Patel**  
**Chief Financial Officer**

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT  
FOR BOARD OF DIRECTOR AND SENIOR MANAGEMENT PERSONNEL**

To  
The Member of M/S. Gyscoal Alloys Limited,  
I, Viral M Shah, Chairman & Managing Director, declare that all the Board Members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the period from 1st April, 2016 to 31st March, 2017.

**Place : Ahmedabad**  
**Date : 29/05/2017**

**For, Gyscoal Alloys Limited**  
**Viral M Shah**  
**Chairman cum Managing Director**  
**DIN - 00014182**





## **INDEPENDENT AUDITORS' REPORT**

TO,  
THE MEMBERS,  
**GYSCOAL ALLOYS LTD.**

### **Report on the Standalone Financial Statements**

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 thereunder.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

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



2. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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"; and
  - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 34 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The company has provided requisite disclosures in its financial statements as referred to in Note 35 as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same disclosure are in accordance with the books of accounts maintained by the company.

For, **SAURABH R. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 127176W

**N. S. Patel**  
Partner  
Membership No. 151799

Ahmedabad  
May 29, 2017



**Annexure A to Independent Auditors' Report  
(Referred to in Paragraph 1 under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date)**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

**(i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;**

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

**(b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;**

As explained to us, all the fixed assets have been physically verified by the Management in accordance with a programme of verification which in our opinion provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.

**(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

**(ii) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;**

As explained to us, the inventories of finished and semi-finished goods and raw materials at Factory were physically verified during the period by the Management. The discrepancies noticed on verification between the physical stocks and the book records were not material.

**(iii) Whether the company has 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 Companies Act, 2013. If so,**

- (a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;
- (b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;
- (c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;

The Company has not granted any loan to any party listed in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(viii) of the Order is not applicable.

**(iv) In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.**

As informed to us, the Company has not granted and loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186. Accordingly, paragraph 3(iv) of the Order is not applicable.

**(v) In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and**



**the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?**

As informed to us, the Company has not accepted any deposit from public. Accordingly, paragraph 3(v) of the Order is not applicable.

**(vi) Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.**

We have broadly reviewed the cost records maintained by the company specified by the Central Government under sub-section (1) of section 148 of the Companies Act and we are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determined whether they are accurate or complete.

**(vii) (a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;**

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the period. However, in some cases such statutory dues are paid after its due dates along with interest during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, customs duty, excise duty, cess and other material statutory dues applicable to it, were in arrears, as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable except Income Tax payable of ₹ 3393273/- for the A.Y. 2014-15.

**(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).**



According to the information and explanations given to us, the disputed statutory dues aggregating ₹ 844606876/- that have not been deposited on account of disputed matter pending before appropriate authorities are as under :

<b>Sr. No.</b>	<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount in ₹</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
1.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	5192774*	2006-07	Gujarat Value Added Tax Tribunal, Ahmedabad
2.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	472542*	2006-07	Gujarat Value Added Tax Tribunal, Ahmedabad
3.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	3746534*	2007-08	Gujarat Value Added Tax Tribunal, Ahmedabad
4.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	32404381*	2007-08	Gujarat Value Added Tax Tribunal, Ahmedabad
5.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	170505*	2008-09	Gujarat Value Added Tax Tribunal, Ahmedabad
6.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	107084371*	2008-09	Gujarat Value Added Tax Tribunal, Ahmedabad
7.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	250524818*	2009-10	Gujarat Value Added Tax Tribunal, Ahmedabad
8.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	244882*	2009-10	Gujarat Value Added Tax Tribunal, Ahmedabad
9.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	279409484	2010-11	Gujarat Value Added Tax DC Appeal, Ahmedabad
10.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	676876	2010-11	Gujarat Value Added Tax DC Appeal, Ahmedabad
11.	The Gujarat Value Added Tax Act, 2003	Value Added Tax and interest	152073889	2011-12	Gujarat Value Added Tax DC Appeal, Ahmedabad
12.	The Central Sales Tax Act, 1956	Central Sales Tax, Interest and Penalty	1712030	2011-12	Gujarat Value Added Tax DC Appeal, Ahmedabad
13.	The Income Tax Act, 1961	Income Tax, Interest	8979840	2011-12	ITAT, Ahmedabad
14.	The Income Tax Act, 1961	Income Tax, Interest	1913950	2012-13	CIT (Appeal), Ahmedabad
<b>Total</b>			<b>844606876</b>		

\* Stay Order has been received against the amount disputed and not deposited



**(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).**

In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to financial institutions, banks or debenture holders during the year, details of which are as under :

Sr. No.	Name of the Bank	Default made since	Defaulted principal amount outstanding as on Balance Sheet Date Amount in ₹	Defaulted interest amount outstanding as on Balance Sheet Date Amount in ₹	Remarks
1.	State Bank of Bikaner & Jaipur Satellite Road Branch, Ahmedabad Cash Credit A/c No. 61137449344	December-15	94930515	20217603	As all these Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at the interest rates sanctioned by the banks and shown under the Other Current Liabilities in Balance Sheet.
2.	State Bank of Patiala Mid Corporate Branch, Navrangpura, Ahmedabad Cash Credit A/c No. 65084267769	July-15	250000000	63080539	
3.	UCO Bank Ashram Road Branch, Ahmedabad Cash Credit A/c No. 19980500007002	May-16	298813289	34428204	
4.	UCO Bank Kukarvada Branch, Kukarvada Cash Credit A/c No. 28390510000137	May-16	10120369	1294142	

**(ix) Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;**

In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public offer / further public offer (including debt instruments) and the term loans during the year for the purposes for which they were raised.

**(x) Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;**

To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the company or any fraud on the Company by its officers or employees was noticed or reported during the period.

**(xi) Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;**



According to the information and explanations give to us and based on our examination of the records of the Company, 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) Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;**

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) Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

**(xiv) whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;**

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

**(xv) Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;**

According to the information and explanations given to us and based on our examination of the records of the Company, 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) Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, **SAURABH R. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 127176W

Ahmedabad  
May 29, 2017

**N. S. Patel**  
Partner  
Membership No. 151799



**Annexure B to Independent Auditors' Report  
(Referred to in Paragraph 2(f) under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Gyscoal Alloys Limited ("the Company") as of 31 March 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

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

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and





- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

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

For, **SAURABH R. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 127176W

Ahmedabad  
May 29, 2017

**N. S. Patel**  
Partner  
Membership No. 151799



## Balance Sheet as at 31st March, 2017

(Amount in ₹)

	Note	As at 31st March, 2017	As at 31st March, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	158275560	158275560
Reserves and Surplus	2	554511717	637075235
		<b>712787277</b>	<b>795350795</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	306913711	193123594
Deferred Tax Liabilities (Net)	4	32852780	42866505
Long-Term Provisions	5	3944480	3081501
		<b>343710971</b>	<b>239071600</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	653864173	714491710
Trade Payables	7	555058450	385039030
Other Current Liabilities	8	189481969	202231778
Short-Term Provisions	9	8630085	12883750
		<b>1407034677</b>	<b>1314646268</b>
<b>Total Equity and Liabilities :-&gt;</b>		<b>2463532926</b>	<b>2349068663</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	10	457571239	525351462
Non-Current Investments	11	56908745	56882745
Long-Term Loans And Advances	12	22097537	81446049
		<b>536577521</b>	<b>663680256</b>
<b>Current assets</b>			
Inventories	13	400035472	463328777
Trade Receivables	14	1338332781	1089532631
Cash and Bank Balances	15	29278192	26793267
Short-Term Loans And Advances	16	158568896	105095779
Other Current Assets	17	740063	637952
		<b>1926955405</b>	<b>1685388407</b>
<b>Total Assets :-&gt;</b>		<b>2463532926</b>	<b>2349068663</b>

Significant Accounting Policies and Notes on Financial Statements 1 to 39

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**Statement of Profit & Loss for the year ended 31st March, 2017**

(Amount in ₹)

	Note	2016-17	2015-16
<b>INCOME</b>			
Revenue from Operations	18	1571521063	1593267027
Other Income	19	4122748	45769196
<b>Total Revenue :-&gt;</b>		<b>1575643811</b>	<b>1639036223</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	20	1104265045	1387980176
Purchase of Stock-in-Trade		167465851	7017026
Change in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	21	7256042	(9843950)
Employee Benefits Expenses	22	20981624	16080683
Finance Costs	23	143926271	116817216
Depreciation and Amortisation Expenses	24	92015305	105792173
Other Expenses	25	132310916	167030149
<b>Total Expenses :-&gt;</b>		<b>1668221054</b>	<b>1790873473</b>
<b>Profit Before Tax</b>		<b>(92577243)</b>	<b>(151837250)</b>
<b>Tax Expenses</b>			
- Prior Period Tax		0	(10690313)
- Current Tax		0	0
- Deferred Tax Liability (Asset)		(10013725)	(8630526)
<b>Profit for the Year</b>		<b>(82563518)</b>	<b>(132516411)</b>
<b>Earning per Equity Share of Face Value of Rs. 1 each</b>	<b>31</b>		
Basic & Diluted (₹)		(0.52)	(0.84)

**Significant Accounting Policies and Notes on Financial Statements****1 to 39**

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**Cash Flow Statement for the year ended 31st March, 2017**

(Amount in ₹)

	2016-17	2015-16
<b>(A) Cash Flow from Operating Activities :</b>		
<b>Net Profit Before Tax</b>	<b>(92577243)</b>	<b>(151837250)</b>
<b>Non-Cash Adjustment to reconcile Profit Before Tax to Net Cash Flows</b>		
Depreciation/Amortisation of current year	92015305	105792173
Interest Received	(2088654)	(2826451)
Interest Paid	143926271	116817216
<b>Operating Profit Before Working Capital Changes</b>	<b>141275679</b>	<b>67945688</b>
<b>Movement in Working Capital :</b>		
Increase/(Decrease) in Trade Payables	170019420	(37368592)
Increase/(Decrease) in Long Term Provisions	862979	503948
Increase/(Decrease) in Other Current Liabilities	(12749808)	39673145
Increase/(Decrease) in Short Term Provisions	(208925)	1161753
Decrease/(Increase) in Trade Receivables	(248800150)	(108068053)
Decrease/(Increase) in Inventories	63293305	5352617
Decrease/(Increase) in Other Current Assets	(102111)	5006975
<b>Cash Generated from/(used in) Operating Activities</b>	<b>113590388</b>	<b>(25792519)</b>
Direct Taxes Paid (Net)	4044740	3078864
<b>Nat Cash from Operating Activities (A)</b>	<b>109545648</b>	<b>(28871383)</b>
<b>(B) Cash Flow from Investing Activity :</b>		
Purchase of Fixed Assets	(24235082)	(62932215)
Purchase of Non-Current Investments	(26000)	0
Movement in Loans & Advances	5875394	96037411
Interest Received	2088654	2826451
<b>Net Cash form Investing Activities (B)</b>	<b>(16297033)</b>	<b>35931647</b>
<b>(C) Cash Flow from Financial Activities :</b>		
Proceeds from Long Term Borrowings (Net)	113790118	37237159
Proceeds from Short Term Borrowings (Net)	(60627537)	65518458
Interest Paid	(143926271)	(116817216)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(90763690)</b>	<b>(14061599)</b>
<b>Net Increase/(Decrease) in Cash and Bank Balance (A+B+C)</b>	<b>2484925</b>	<b>(7001335)</b>
Add : Opening Cash & Bank Balances	26793267	33794602
<b>Closing Cash &amp; Bank Balances</b>	<b>29278192</b>	<b>26793267</b>

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary



## **Significant Accounting Policies**

### **A BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements 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 are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### **B USE OF ESTIMATES**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **C INVENTORIES**

Inventories are valued at the lower of cost and net realizable value. Costs of inventories comprise all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost of inventories is generally ascertained on the 'weighted average' basis.

All items of inventories as certified by the Management are valued on the basis mentioned above.

### **D Cash Flow Statement**

The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated.

Figures in bracket represent outflow in cash.

### **E PRIOR PERIOD ITEMS**

Prior period items means which arise in the current period as a result of 'errors' or 'omissions' in the financial statements prepared in earlier years, effects of changes in estimates of which are not treated as omission or error.

### **F TENGIBLE ASSETS**

Fixed assets are stated at their original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition and includes all expenses incurred up to the date of commercial utilisation.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of Profit and Loss for the period during which such expenses are incurred.



Gains or losses arising from de-recognition of fixed assets are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit and Loss when the asset is derecognised.

**G DEPRECIATION**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 for the period and depreciation on addition of assets during the period has been provided on prorata basis.

**H REVENUE RECOGNITION**

Sales and operating income includes sale of products, by-products and waste, and export incentives. Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. Revenue from export sales are recognised on shipment basis. Sales are stated net of returns, excise duty and Sales Tax/VAT. Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Dividend Income is recognised in the year in which it is declared / received.

**I FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates.

Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement, except in case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

**J INVESTMENTS**

Investments are classified as long term or current based on intention of the management at the time of purchase.

Initially investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges.

Dividend re-invested in case of mutual funds is added to the value of investment in mutual funds while corresponding credit is recorded in the Profit and Loss Statement.

Current investments are carried in the financial statements at lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit & Loss.

**K EMPLOYEE BENEFITS**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered.



Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the period in which the employee has rendered services. The expense is recognized as per Accounting Standard 15 (Revised 2005) at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

Provident Fund of the Regional Provident Fund Commissioner is a defined contribution scheme, and contribution made to Regional Provident Fund Commissioner is charged to Profit & Loss Account.

Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation.

Liability of Leave encashment is accounted for on actual payment basis.

## **L BORROWING COSTS**

Borrowing costs include interest, fees and other charges incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of the cost of such asset up to the date when the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Profit and Loss Account.

## **M EARNING PER SHARE**

The Company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard (AS) – 20 on “Earning Per Share”. The basic EPS is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

## **N TAXES ON INCOME**

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

## **O IMPAIRMENT OF ASSETS**

An assets is considered as impaired in accordance with Accounting Standard (AS) – 28 “Impairment of Assets” when at balance sheet date there are indications of impairment and the carrying amount of the assets, or wherever applicable, the cash generating unit to which the asset belongs, exceeds it recoverable amount (i.e. the higher of the assets net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as impairment loss in the Profit & Loss Account.

## **P PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

## 1. SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Authorised Share Capital :</b>		
270000000 Equity Shares of ₹1 each (270000000 Equity Shares of ₹10 each in Previous Year)	270000000	270000000
	<b>270000000</b>	<b>270000000</b>
<b>Issued, Subscribed and Paid up :</b>		
158275560 Equity shares of ₹1 each (15827556 Equity shares of ₹10 each in Previous Year)	158275560	158275560
<b>Total :-&gt;</b>	<b>158275560</b>	<b>158275560</b>

## 1.1 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% held	No. of Shares	% held
Viral Shah	51763960	32.70	5176396	32.70
General Capital and Holding Company Pvt. Ltd.	15384600	9.72	1538460	9.72
Giraben Kishorsinh Solanki	14157350	8.94	1415735	8.94
Sampati Securities Limited	13834951	8.74	1178349	7.44

## 1.2 Sub division of Equity Shares

Pursuant to shareholders' approval dated 29th September, 2016, the company has sub-divided face value of equity shares of ₹ 10/- each into ten equity shares of ₹ 1/- each w.e.f. October 14, 2016. Accordingly, the basic and diluted earnings per share and the number of shares disclosed in Note 30 have been computed for the current year and re-computed for the previous period based on the revised no. of shares and face value of ₹ 1/- per equity shares.

## 1.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	(Amount in ₹)	No. of Shares	(Amount in ₹)
Equity Shares at the beginning of the year	15827556	158275560	15827556	158275560
1,58,27,556 equity shares of ₹ 10/- each sub-divided into 15,82,75,560 equity shares of ₹ 1/- each				
Equity Shares at the end of the year	158275560	158275560	15827556	158275560

## 1.4 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹1/- per share (Previous Year ₹ 10/- per share). Each equity shareholder is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

## 1.5 Shares held by holding/ultimate holding company and/or their subsidiaries/associates : - Nil





2. RESERVES AND SURPLUS			(Amount in ₹)	
Particulars	As at 31st March, 2017		As at 31st March, 2016	
<b>General Reserve</b>				
As per last Balance Sheet	744800		744800	
	<b>744800</b>		<b>744800</b>	
<b>Securities Premium Reserve</b>				
As per last Balance Sheet	526014386		526014386	
	<b>526014386</b>		<b>526014386</b>	
<b>Profit and Loss Account</b>				
As per last Balance Sheet	110316049		242832460	
Add : Profit/(Loss) for the year	(82563518)		(132516411)	
	<b>27752531</b>		<b>110316049</b>	
<b>Total :-&gt;</b>	<b>554511717</b>		<b>637075235</b>	

3. LONG TERM BORROWINGS					(Amount in ₹)	
Particulars	As at 31st March, 2017		As at 31st March, 2016			
	Non-Current	Current	Non-Current	Current		
<b>Secured</b>						
Term Loans						
- From Banks	1717824	3186386	4944210	2840718		
- From Others	5768064	1898635	7666699	1705384		
	<b>7485888</b>	<b>5085021</b>	<b>12610910</b>	<b>4546102</b>		
<b>Unsecured</b>						
Deposits	105195000	0	104185000	0		
Loans and Advance from Related Parties	194232823	0	76327684	0		
	<b>299427823</b>	<b>0</b>	<b>180512684</b>	<b>0</b>		
<b>Total :-&gt;</b>	<b>306913711</b>	<b>5085021</b>	<b>193123594</b>	<b>4546102</b>		

### 3.1 Details of Term Loans are as under :

Auto Loans from HDFC Bank carries interest @ 10.13% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹294820/- including interest.

Auto Loans from Tata Capital Financial Services Ltd. carries interest @ 11.52% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹100100/- including interest.

Auto Loans from Volkswagen Finance Private Limited carries interest @ 10.16% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹117704/- including interest.

### 3.2 Details of Security of the Term Loans are as under :

Auto Loans from HDFC Bank of ₹7555808/- (Previous Year ₹7784928/-) are secured by way of hypothecation of respective vehicles.

Auto Loans from Tata Capital Financial Services Ltd. of ₹3038986/- (Previous Year ₹3108997/-) are secured by way of hypothecation of respective vehicles.

Auto Loans from Volkswagen Finance Private Limited of ₹6198410/- (Previous Year ₹6263086/-) are secured by way of hypothecation of respective vehicles.

**4. DEFERRED TAX LIABILITY (Net)**

In view of Accounting Standard 22, the significant component and classification of deferred tax liability on accounting of timing difference comprises of the following :

(Amount in ₹)

Partiuculars	As at 31st March, 2017	As at 31st March, 2016
<b>Deferred Tax Liability related to Fixed Assets</b>		
Opening Balance	42866505	51497031
Add : Addition during the year / (Reverted during the year)	(10013725)	(8630526)
<b>Closing Balance</b>	<b>32852780</b>	<b>42866505</b>

**5. LONG-TERM PROVISIONS**

(Amount in ₹)

Partiuculars	As at 31st March, 2017		As at 31st March, 2016	
	Non-Current	Current	Non-Current	Current
Provision for Gratuity (Refer Note No. 22)	3944480	616448	3081501	849364
<b>Total :-&gt;</b>	<b>3944480</b>	<b>616448</b>	<b>3081501</b>	<b>849364</b>

**6. SHORT-TERM BORROWINGS**

(Amount in ₹)

Partiuculars	As at 31st March, 2017	As at 31st March, 2016
<b>Secured</b>		
<b>Working Capital Loan repayable on demand from Banks</b>		
Cash Credit	653864173	714491710
	<b>653864173</b>	<b>714491710</b>
<b>Total :-&gt;</b>	<b>653864173</b>	<b>714491710</b>

Working Capital loan from Bank is secured by way of hypothecation of Raw Materials, Work-in-Process, Finished Goods, Stores & Spares, Book Debts etc., and by way of second charge on Company's immovable properties, and also personal guarantee of some of the Directors of the Company as well as corporate guarantee of other group companies.

During the year, the company has made default in repayment of working capital loan repayable on demand from the banks, details of which are as under :

Sr. No.	Name of the Bank	Default made since	Defaulted principal amount outstanding as on Balance Sheet Date	Defaulted interest amount outstanding as on Balance Sheet Date
1	State Bank of Bikaner & Jaipur Satellite Road Branch, Ahmedabad Cash Credit A/c No. 61137449344	December-15	94930515	20217603
2	State Bank of Patiala Mid Corporate Branch, Navrangpura, Ahmedabad Cash Credit A/c No. 65084267769	July-15	250000000	63080539
3	UCO Bank Ashram Road Branch, Ahmedabad Cash Credit A/c No. 19980500007002	May-16	298813289	34428204
4	UCO Bank	May-16	10120369	1294142



Note : As all the above Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at the interest rates sanctioned by the banks and shown under the Other Current Liabilities in Balance Sheet.

**7. TRADE PAYABLES** **(Amount in ₹)**

<b>Partiucalars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
Trade Payables	555058450	385039030
<b>Total :-&gt;</b>	<b>555058450</b>	<b>385039030</b>

Details of dues to Micro, Small and Medium Enterprise as defined under MSMED Act, 2006

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure regarding :

- Amount due and outstanding to suppliers at the end of accounting year,
- Interest paid during the year,
- Interest payable at the end of accounting year,
- Interest accrued and unpaid at the end of the accounting year, have not been given.

The Company is making efforts to get the confirmation from the suppliers as regards their status under the Act.

**8. OTHER CURRENT LIABILITIES** **(Amount in ₹)**

<b>Partiucalars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
Current Maturities of Long Term Debt	5085021	4546102
Interest Accrued and Due on Borrowings	119020488	42946087
Other Payables*	65376460	154739589
<b>Total :-&gt;</b>	<b>189481969</b>	<b>202231778</b>

\* Other Payables include statutory dues, credit balance of Bank Current A/c, creditors for capital goods and advance from customers.

**9. SHORT TERM PROVISIONS** **(Amount in ₹)**

<b>Partiucalars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
Provision for Gratuity	616448	849364
Provision for Expenses	3386044	3362053
Provision for Taxation	4627593	8672333
<b>Total :-&gt;</b>	<b>8630085</b>	<b>12883750</b>


**10. FIXED ASSETS**
**(Amount in ₹)**

Name of Assets	Gross Block				Depreciation				Net Block	
	As at 1-4-2016	Addition / Adjustment	Deduction / Adjustment	As at 31-03-2017	As at 1-4-2016	Deduction / Adjustment	For the Year	As at 31-03-2017	As at 31-03-2017	As at 31-3-2016
TANGIBLE ASSETS :										
Factory Land	10366262	0	0	10366262	0	0	0	0	10366262	10366262
Building - Factory	113327045	8196853	0	121523898	34118056	0	7879949	41998005	79525893	79208989
Building - Office	6991203	0	0	6991203	1002620	0	291629	1294249	5696954	5988583
Furniture	5282235	106509	0	5388744	3146423	0	588244	3734667	1654077	2135812
Office Equipments	2115779	2083240	0	4199019	1640974	0	546956	2187930	2011089	474805
Plant & Machinery	750139884	13770278	0	763910162	337076492	0	78174010	415250502	348659660	413063392
Vehicles	40694969	0	0	40694969	26640214	0	4493352	31133566	9561403	14054755
Computers	491140	78202	0	569342	432276	0	41165	473441	95901	58864
<b>Sub-Total</b>	<b>929408517</b>	<b>24235082</b>	<b>0</b>	<b>953643599</b>	<b>404057056</b>	<b>0</b>	<b>92015305</b>	<b>496072361</b>	<b>457571239</b>	<b>525351462</b>
INTANGIBLE ASSETS :	0	0	0	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>929408517</b>	<b>24235082</b>	<b>0</b>	<b>953643599</b>	<b>404057056</b>	<b>0</b>	<b>92015305</b>	<b>496072361</b>	<b>457571239</b>	<b>525351462</b>
Previous Year	866476302	62932215	0	929408517	298264883	0	105792173	404057056	525351462	568211420
CAPITAL WORK IN PROGRESS *									0	0
INTANGIBLE ASSETS UNDER DEVELOPMENT									0	0

**11. NON-CURRENT INVESTMENTS**
**(Amount in ₹)**

Partiucalars	As at 31st March, 2017	As at 31st March, 2016
<b>Other Investments</b>		
<b>In Equity Shares of Subsidiary Company</b>		
Unquoted, Partly Paid up		
918000 Shares of Thai Indo Steel Co. Ltd. of Thai Bhat 100 each (25% Paid up)	56673715	56673715
<b>In Equity Shares of Associate Company</b>		
Unquoted, Fully Paid up		
2600 Shares of Goldman Hotels & Resorts Pvt. Ltd. of ₹ 10 each	26000	0
<b>Other Investments (Unquoted)</b>	209030	209030
<b>Total :-&gt;</b>	<b>56908745</b>	<b>56882745</b>

Such Non-Current Investments are valued at Cost

**12. LONG-TERM LOANS AND ADVANCES (Unsecured and Considered Good)** (Amount in ₹)

<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
Capital Advance	10857134	70015646
Security Deposit	11240403	11430403
<b>Total :-&gt;</b>	<b>22097537</b>	<b>81446049</b>

**13. INVENTORIES** (Amount in ₹)

<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
Raw Materials	276005046	332042309
Finished Goods	124030426	131286468
<b>Total :-&gt;</b>	<b>400035472</b>	<b>463328777</b>

**14. TRADE RECEIVABLES** (Amount in ₹)

<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Doubtful*	18127314	18127314
Unsecured and Considered Good	618110754	326666394
<b>Other Trade Receivables</b>		
Unsecured and Considered Good	702094713	744738923
<b>Total :-&gt;</b>	<b>1338332781</b>	<b>1089532631</b>

\* Legal case filed against Salvo Steel Pvt. Ltd. u/s 138 of the Negotiable Instrument Act, 1881, however no provision is made against this amount.

**15. CASH AND BANK BALANCES** (Amount in ₹)

<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>
<b>Balance with Banks :</b>		
In Current Accounts	6099658	971589
In Fixed Deposits*	20527763	25177723
<b>Cash on Hand</b>	<b>2650772</b>	<b>643956</b>
<b>Total :-&gt;</b>	<b>29278192</b>	<b>26793267</b>

\* Fixed Deposit with banks includes deposits of ₹20527763/- (Previous Year ₹25177723/-) given as margin money for Letter of Credit issued by the bank in the favour of the Company.

All Fixed Deposits are with maturity of more than 12 months.



<b>16. SHORT-TERM LOANS AND ADVANCES</b>		<b>(Amount in ₹)</b>	
<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>	
<b>Unsecured and Considered Good</b>			
Loans and Advances to Related Parties	0	0	
<b>Other Loans and Advances</b>			
Balance With Statutory / Government Authorities	77219916	97098151	
Prepaid Expenses	387246	289351	
Advances To Creditors, Suppliers & Contractors and Others	79685489	6459632	
Staff Advances	1276245	1248645	
<b>Total :-&gt;</b>	<b>158568896</b>	<b>105095779</b>	
<b>17. OTHER CURRENT ASSETS</b>		<b>(Amount in ₹)</b>	
<b>Partiuculars</b>	<b>As at 31st March, 2017</b>	<b>As at 31st March, 2016</b>	
Interest Accrued on Fixed Deposits, UGVCL & Torrent Power Deposit	740063	637952	
<b>Total :-&gt;</b>	<b>740063</b>	<b>637952</b>	
<b>18. REVENUE FROM OPERATIONS</b>		<b>(Amount in ₹)</b>	
<b>Partiuculars</b>	<b>2016-17</b>	<b>2015-16</b>	
Sale of Products	1756383028	1827547389	
Income From Other Operations	18073813	11016695	
	<b>1774456841</b>	<b>1838564084</b>	
Less : Excise Duty	156644524	196826816	
Less : VAT & CST	46291254	48470241	
	<b>202935778</b>	<b>245297057</b>	
<b>Total :-&gt;</b>	<b>1571521063</b>	<b>1593267027</b>	
<b>18.1 PARTICULARS OF SALE OF PRODUCTS</b>		<b>(Amount in ₹)</b>	
<b>Partiuculars</b>	<b>2016-17</b>	<b>2015-16</b>	
S.S. & M.S. Structure Products	1756383028	1827547389	
<b>Total :-&gt;</b>	<b>1756383028</b>	<b>1827547389</b>	
<b>19. OTHER INCOME</b>		<b>(Amount in ₹)</b>	
<b>Partiuculars</b>	<b>2016-17</b>	<b>2016-17</b>	<b>2015-16</b>
<b>Interest</b>			
From Current Investments	1106108		1907828
From Others	982546	2088654	918623
			2826451
<b>Net Gain on Foreign Currency Transaction &amp; Translation (Other than considered as Finance Cost)</b>			
		0	41899814
<b>Other Non Operating Income</b>		2034094	1042930
<b>Total :-&gt;</b>		<b>4122748</b>	<b>45769196</b>

**20. COST OF MATERIAL CONSUMED**

Partiuculars	2016-17		2015-16	
	(Amount in ₹)	% of Consumption	(Amount in ₹)	% of Consumption
Imported	32167689	2.91	15489169	1.12
Indigenous	1072097356	97.09	1372491007	98.88
<b>Total :-&gt;</b>	<b>1104265045</b>	<b>100.00</b>	<b>1387980176</b>	<b>100.00</b>

**20.1 PARTICULARS OF MATERIALS CONSUMED**

(Amount in ₹)

Partiuculars	2016-17	2015-16
S. S. Structures	1015490964	1338436603
Furnace Oil & Coal	27448766	13994649
Others	61325315	35548924
<b>Total :-&gt;</b>	<b>1104265045</b>	<b>1387980176</b>

**21. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS & STOCK-IN-TRADE**

(Amount in ₹)

Partiuculars	2016-17	2015-16
<b>Inventories (at commencement)</b>		
Finished Goods / Stock-in-Trade	131286468	121442518
	<b>131286468</b>	<b>121442518</b>
<b>Inventories (at close)</b>		
Finished Goods / Stock-in-Trade	124030426	131286468
	<b>124030426</b>	<b>131286468</b>
<b>Total :-&gt;</b>	<b>7256042</b>	<b>(9843950)</b>

**22. EMPLOYEE BENEFIT EXPENSES**

(Amount in ₹)

Partiuculars	2016-17	2015-16
Salaries and Wages	20230479	15456895
Contribution to Provident & Other Funds	679239	579147
Staff Welfare Expenses	71906	44641
<b>Total :-&gt;</b>	<b>20981624</b>	<b>16080683</b>

**22.1 As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:****Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognized as expense for the year is as under: (Amount in ₹)

Partiuculars	2016-17	2015-16
Employer's Contribution to Provident Fund	679239	579147

**Defined Benefit Plans**

At present, the company has not any Defined Benefit Plans which are managed by other third party like LIC etc. However, the company is making provision for the present value of gratuity payable based on actuarial valuation using Projected Unit Credit Method. The company has not made any provision for leave encashment, but the same is recognized as expenses on actual payment basis.



<b>A. Reconciliation of opening and closing balances of Defined Benefit Obligation</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Obligation as at the beginning of the period.	3930865	3221752	
Current Service Cost	658943	482289	
Interest Cost	294815	258446	
Benefits Paid (If Any)	0	0	
Actuarial (Gain)/Loss on obligation	(323695)	(31622)	
Present Value of Obligation as at the end of the period	4560928	3930865	
<b>B. Reconciliation of opening and closing balances of Fair Value of Plan Assets</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Plan Assets as at the beginning of the period.	0	0	
Expected Return on Plan Assets	0	0	
Contributions	0	0	
Actuarial (Gain)/Loss on Plan Assets	0	0	
Fair Value of Plan Assets at the end of the period	0	0	
<b>C. Reconciliation of Fair Value of Assets and Obligations</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Obligation as at the end of the period	4560928	3930865	
Fair Value of Plan Assets at the end of the period	0	0	
Net Assets/(Liability) recognized in Balance Sheet	(4560928)	(3930865)	
<b>D. Expense recognized during the period</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Current Service Cost	658943	482289	
Interest Cost	294815	258446	
Expected Return on Plan Assets	0	0	
Net Actuarial losses (gains) recognized in period	(323695)	(31622)	
Expenses Recognized in the statement of Profit & Loss	630063	709113	
<b>E. Actuarial Assumptions</b>			
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Discount Rate	7.50%	8.00%	
Rate of increase in Compensation Level	6.00%	6.00%	
Rate of Return on Plan Assets	0.00%	0.00%	
Withdrawal Rate	2.00%	2.00%	
Mortality Table (LIC)	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	

<b>23. FINANCE COSTS</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Interest Expenses	119564409	112439352	
Other Borrowing Costs	1611403	4377864	
Applicable Loss on Foreign Currency Transactions and Translation	22750458	0	
<b>Total :-&gt;</b>	<b>143926271</b>	<b>116817216</b>	





24. DEPRECIATION AND AMORTISATION EXPENSES		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Depreciation and Amortisation Expenses (Refer Note No. 10)	92015305	105792173	
<b>Total :-&gt;</b>	<b>92015305</b>	<b>105792173</b>	

25. OTHER EXPENSES		(Amount in ₹)			
Partiuculars	2016-17	2016-17	2015-16	2015-16	
<b>Manufacturing Expenses</b>					
Freight & Transportation Expenses	6906602		5732669		
Insurance	495208		300095		
Jobwork Charges	1159350		27558275		
Labour Charges	29630610		30668379		
Other Manufacturing Expenses	3238007		2596404		
Power & Fuel - Factory	70422295		69055544		
Rent	0		24000		
Repairs to Building	375367		68305		
Repairs to Machinery	419246		626128		
Stores & Spares	4658977		4656648		
* Excise Duty	(11797574)		2227521		
		<b>105508088</b>		<b>143513968</b>	
<b>Selling &amp; Distribution Expenses</b>					
Advertisement Expenses	1545846		1689762		
Packing, Clearing & Forwarding Charges	11710933		11586704		
Other Selling & Distribution Expenses	0		308489		
		<b>13256779</b>		<b>13584955</b>	
<b>Establishment Expenses</b>					
Charity & Donations	152100		54554		
Computer Expenses	124497		62195		
General Expenses	1186762		751416		
Legal & Professional Fees	4201373		2571513		
Power & Fuel - Office	752156		767595		
Other Repairs	123168		155346		
Payment to Auditors	375000		350000		
Rate & Taxes	608954		384185		
Stationery & Postage Expenses	539877		459250		
Telephone Expenses	1029761		1099168		
Travelling Expenses	3857840		2853755		
Vehicle Expenses	594561		422249		
		<b>13546049</b>		<b>9931226</b>	
<b>Total :-&gt;</b>		<b>132310916</b>		<b>167030149</b>	

\* Excise Duty shown under Expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening stock and closing stock of finished goods.



26. VALUE OF STORES & SPARES CONSUMED		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Imported	0	0	
Indigenous	4658977	4656648	
<b>Total :-&gt;</b>	<b>4658977</b>	<b>4656648</b>	

27. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Raw Materials and Stock-in-Trade	29359482	13319071	
<b>Total :-&gt;</b>	<b>29359482</b>	<b>13319071</b>	

28. PAYMENT TO AUDITORS AS :		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Statutory Audit Fees	275000	250000	
Tax Audit Fees	50000	50000	
Certification and Consultation Fees	50000	50000	
<b>Total :-&gt;</b>	<b>375000</b>	<b>350000</b>	

29. EXPENDITURE IN FOREIGN CURRENCY :		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Raw Material Purchase	29359482	13319071	
Capital Assets Purchase	792778	821875	
Sales Promotion Expenses	1171583	452706	
Stores & Consumable Purchase	0	122670	
<b>Total :-&gt;</b>	<b>31323843</b>	<b>14716322</b>	

30. EARNING PER SHARE		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	(82563518)	(132516411)	
Weighted Average number of Equity shares used as denominator for calculating EPS	158275560	158275560	
Basic and Diluted Earning per Share (in ₹)	(0.52)	(0.84)	
Face Value per Equity Share (in ₹)	1	1	

Pursuant to shareholders' approval dated 29th September, 2016, the company has sub-divided face value of equity shares of ₹ 10/- each into ten equity shares of ₹ 1/- each w.e.f. October 14, 2016. The weighted average number of equity shares of the previous year has been accordingly adjusted by 15,82,75,560 equity shares while computing basic and diluted EPS.

31. EARNING IN FOREIGN EXCHANGE		(Amount in ₹)	
Partiuculars	2016-17	2015-16	
FOB Value of Exports	560823678	589914848	
<b>Total :-&gt;</b>	<b>560823678</b>	<b>589914848</b>	



**32. RELATED PARTY DISCLOSURE :**

As per Accounting Standard 18 , the disclosure of transactions with related parties are given below :

(Amount in ₹)

Sr. No.	Name of the Related Party and Relationship	Related Party Transaction			
		Loan Taken during the Year	Loan Repaid During The Year	Year End Balance of Loan	Director Salary Paid
1	Giraben Solanki  Relative of Key Managerial Personnel				
		0	205459	1902501	0
		0	0	2107960	60354
		<b>Employee Benefit Expenses Paid</b>			
		412800			
		320000			
2	Manish M. Shah  Relative of Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		0	0	0	0
		0	8594895	0	0
3	Viral M. Shah  Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		3206224	706224	3337606	913776
		706224	2116186	837606	850020
4	Zankarsinh K. Solanki  Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		706224	706224	30843293	546597
		706224	748641	30843293	508464
5	Mona Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>	<b>Godown Rent Paid</b>		
		280962	38000		
		258940	12000		
6	Dipali Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>			
		186780			
		172139			
7	Sarojben M. Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>			
		142671			
		269236			



8	Dhara Z. Solanki  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>	<b>Godown Rent Paid</b>		
		159642	38000		
		147125	12000		
9	Sampati Securities Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Interest Paid @ 12%</b>
		568297700	440038000	158149423	8809678
		121841832	178000000	21961013	5968236
10	Torque Automotive Pvt. Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	
		1603264	22181074	0	
		14317811	14975520	20577812	
11	Long View Financial Services Pvt. Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	
		21200	21200	0	
		0	0	0	

**33. SEGMENT REPORTING :**

The Company is mainly engaged in the business of manufacturing of S.S. Products. Considering the nature of business and financial reporting of company, the company has only one segment, viz. S.S. Products as reportable segment. The company operates in local / export segment geographically of which the export has amounted to ₹560823678/- out of total turnover of ₹1553447250/- but due to nature of the business, the assets / liabilities and expenses for these activities can not be bifurcated separately.

**34. CONTINGENT LIABILITIES :****(Amount in ₹)**

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
* Claims against the Company not acknowledged as debt <i>(Net of amount paid to statutory authorities and provided in to accounts)</i>	829577816	395705537

\* Claims against the Company not acknowledgement as debt includes demand from the Gujarat VAT Authority for payment of VAT and CST of ₹823963086/- and from the Indian Income Tax Authority for payment of tax of ₹5614730/- The Company has filed appeal with higher authorities and the Company has been legally advised that the additional demands raised are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

**35. SPECIFIED BANK NOTE DISCLOSURE :**

Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as under :

<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination Notes</b>	<b>Total</b>
Closing cash in hand on 08/11/2016	12194500	1835511	14030011
(+) Permitted Receipts	0	592000	592000
(-) Permitted Payments	0	1860276	1860276
(-) Amount Deposited in Banks	12194500	0	12194500
Closing cash in hand As on 30/12/2016	0	567235	567235

- 36.** Set up of the Phase –I and Phase –II new project is completed and Company has already started the Commercial Production.
- 37.** In the opinion of Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all liabilities is adequate and not in excess of the amounts considered reasonably necessary.
- 38.** Outstanding Balance of unsecured loans, trade receivables, trade payables, loans and advances and any other outstanding balances including all squared up accounts are subject to confirmation and reconciliation.
- 39.** The figures for the corresponding previous period have been restated /regrouped wherever necessary, to make them comparable.

As per our Report of even date

For & on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**

Chartered Accountants  
Firm Reg. No. 127176W

**Viral Shah**

Chairman & Managing Director  
DIN - 00014182

**Zankarsinh Solanki**

Wholetime Director  
DIN - 00014226

**N. S. Patel**

Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017

**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary



## INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS,  
**GYSCOAL ALLOYS LTD.**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Gyscoal Alloys Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary and an associate together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Other Matters**

- (a) We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of ₹ 9,10,18,645 as at 31st March, 2017, total revenues of ₹ Nil and net cash flows (negative) amounting to ₹ 15,617 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.
- (b) We did not audit the financial statements of one associate, whose financial statements / financial information reflect total assets of ₹ 5,24,29,126 as at 31st March, 2017, total revenues of ₹ Nil and net cash flows (negative) amounting to ₹ 1,78,374 for the period ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by some other auditors whose work has been relied upon by us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such audited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management (read with Note No. 38).

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company we do not find any material matters which may require our reporting in this report.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company and the management representation from the subsidiary company none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Group. The Company has disclosed the impact of pending litigations on its consolidated financial position in its financial statements as referred to in Note 36 to the financial statements.



- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
- iv. The company has provided requisite disclosures in its financial statements as referred to in **Note 41** as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same disclosure are in accordance with the books of accounts maintained by the company

For, **SAURABH R. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 127176W

**N. S. Patel**  
Partner  
Membership No. 151799

Ahmedabad  
May 29, 2017

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### **Annexure A to Independent Auditors' Report**

(Referred to in Paragraph (f) under the heading of

"Report on Other Legal and Regulatory Requirements" of our report of even date)

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Gyscoal Alloys Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

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

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness





of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

For, **SAURABH R. SHAH & CO.**  
Chartered Accountants  
Firm Reg. No. 127176W

Ahmedabad  
May 29, 2017

**N. S. Patel**  
Partner  
Membership No. 151799



## Consolidated Balance Sheet as at 31st March, 2017

(Amount in ₹)

	Note	As at 31st March, 2017	As at 31st March, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	158275560	158275560
Reserves and Surplus	2	553395023	635336670
		<b>711670583</b>	<b>793612230</b>
<b>Minority interest</b>		23154415	22489605
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	352893298	238238762
Deferred Tax Liabilities (Net)	4	32852780	42866505
Long-Term Provisions	5	3944480	3081501
		<b>389690558</b>	<b>284186768</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	653864173	714491710
Trade Payables	7	555058450	385039030
Other Current Liabilities	8	189481969	211349925
Short-Term Provisions	9	8630085	12883750
		<b>1407034678</b>	<b>1323764416</b>
<b>Total Equity and Liabilities :-&gt;</b>		<b>2531550234</b>	<b>2424053020</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	10	461149753	528931323
Goodwill on Consolidation	11	33698379	33698379
Non-Current Investments	12	209030	209030
Long-Term Loans And Advances	13	43789052	109859936
Long-Term Loans And Advances	14	960250	929450
		<b>539806464</b>	<b>673628117</b>
<b>Current assets</b>			
Inventories	15	400035472	463328777
Trade Receivables	16	1338332781	1089532631
Cash and Bank Balances	17	29329886	26799422
Short-Term Loans And Advances	18	223305569	167756024
Other Current Assets	19	740063	3008050
		<b>1991743771</b>	<b>1750424903</b>
<b>Total Assets :-&gt;</b>		<b>2531550235</b>	<b>2424053020</b>

Significant Accounting Policies and Notes on Financial Statements 1 to 44

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**Consolidated Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2017**

(Amount in ₹)

	Note	2016-17	2015-16
<b>INCOME</b>			
Revenue from Operations	20	1571521063	1593267027
Other Income	21	4122748	45769196
<b>Total Revenue :-&gt;</b>		<b>1575643811</b>	<b>1639036223</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	22	1104265045	1387980176
Purchase of Stock-in-Trade		167465851	7017026
Change in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	23	7256042	(9843950)
Employee Benefits Expenses	24	20981624	16080683
Finance Costs	25	143926271	116817216
Depreciation and Amortisation Expenses	26	92016101	105795200
Other Expenses	27	130997439	167727521
<b>Total Expenses :-&gt;</b>		<b>1666908374</b>	<b>1791573872</b>
<b>Profit Before Tax</b>		<b>(91264562)</b>	<b>(152537649)</b>
Tax Expenses			
- Prior Period Tax		0	(10690313)
- Current Tax		0	0
- Deferred Tax Liability (Asset)		(10013725)	(8630526)
<b>Profit for the Period from Continuing Operations</b>		<b>(81250837)</b>	<b>(133216810)</b>
Add/(Less): Share of (Profit) / Loss attributable to Minority		(664809)	10407
Tax Expenses of Discontinuing Operations		0	0
<b>Profit from Discontinuing Operations after Tax</b>		<b>(664809)</b>	<b>10407</b>
Add/(Less): Share of Profit / (Loss) from Associate		(26000)	0
<b>Profit for the Year</b>		<b>(81941646)</b>	<b>(133206403)</b>
<b>Earning per Equity Share of Face Value of Rs. 1 each</b>	<b>32</b>		
<b>Basic &amp; Diluted (₹)</b>		(0.52)	(0.84)
<b>Significant Accounting Policies and Notes on Financial Statements</b>	<b>1 to 44</b>		

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**Consolidated Cash Flow Statement for the year ended 31st March, 2017**

(Amount in ₹)

	2016-17	2015-16
<b>(A) Cash Flow from Operating Activities :</b>		
<b>Net Profit Before Tax</b>	<b>(91264562)</b>	<b>(152537649)</b>
<b>Non-Cash Adjustment to reconcile Profit Before Tax to Net Cash Flows</b>		
Depreciation/Amortisation of current year	92016101	105795200
Share of (Profit) / Loss attributable to Minority & Associate	(690809)	10407
Interest Received	(2088654)	(2826451)
Interest Paid	119564409	116817216
<b>Operating Profit Before Working Capital Changes</b>	<b>117536485</b>	<b>67258723</b>
<b>Movement in Working Capital :</b>		
Increase/(Decrease) in Trade Payables	170019420	(37368593)
Increase/(Decrease) in Long Term Provisions	862979	503948
Increase/(Decrease) in Other Current Liabilities	(21867956)	39518633
Increase/(Decrease) in Short Term Provisions	(208925)	1040622
Decrease/(Increase) in Trade Receivables	(248800150)	(108068053)
Decrease/(Increase) in Inventories	63293305	5352617
Decrease/(Increase) in Other Current Assets	2237187	5062888
<b>Cash Generated from/(used in) Operating Activities</b>	<b>83072344</b>	<b>(26699215)</b>
Direct Taxes Paid (net)	4044740	3078864
<b>Net Cash from Operating Activities (A)</b>	<b>79027604</b>	<b>(29778079)</b>
<b>(B) Cash Flow from Investing Activity :</b>		
Purchase of Fixed Assets	(24234531)	(62932764)
Change in Minority interest	664809	(10407)
Movement in Loans & Advances	10521338	97702975
Interest Received	2088654	2826451
<b>Net Cash form Investing Activities (B)</b>	<b>(10959730)</b>	<b>37586254</b>
<b>(C) Cash Flow from Financial Activities :</b>		
Proceeds from Long Term Borrowings (Net)	114654536	36472660
Proceeds from Short Term Borrowings (Net)	(60627537)	65518458
Interest Paid	(119564409)	(116817216)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(65537410)</b>	<b>(14826098)</b>
<b>Net Increase/(Decrease) in Cash and Bank Balance (A+B+C)</b>	<b>2530463</b>	<b>(7017923)</b>
Add : Opening Cash & Bank Balances	26799422	33817345
<b>Closing Cash &amp; Bank Balances</b>	<b>29329886</b>	<b>26799422</b>

As per our Report of even date

For &amp; on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**Chartered Accountants  
Firm Reg. No. 127176W**Viral Shah**Chairman & Managing Director  
DIN - 00014182**Zankarsinh Solanki**Wholetime Director  
DIN - 00014226**N. S. Patel**Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**SIGNIFICANT ACCOUNTING POLICIES****A BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements relate to Gyscoal Alloys Limited ('the Company'), its Subsidiary Company and its Associate Company. The financial statements are prepared on the accounting principles of a going concern. The Company follows accrual method of accounting and the financial statements have been prepared in accordance with the historical cost conventions which are in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013. Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable Accounting Standards prescribed under the Companies Act, 2013 to the extent applicable. All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

**B PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements relate to Gyscoal Alloys Limited ('the Company') and its Subsidiary Company. The Consolidated Financial Statements have been prepared on the following basis :

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- b) Intra-group balances and intra-group transactions and resulting unrealized profits have been eliminated.
- c) The excess of the Company's portion of equity of the subsidiary as at the date of its investment over the cost of its investment is treated as Capital Reserve. The excess of cost of investment over the Company's portion of equity as at the date of investment is treated as Goodwill and the same is tested for impairment on an annual basis.
- d) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- e) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- f) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet

separate from liabilities and the equity of the Company's shareholders.

- g) The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.
  - h) Where losses attributable to minority in the consolidated financial statements exceed the minority interest, then excess of loss of minority interest over its interest in equity shall be attributed to the company's net worth except in cases where minority is accountable to bear such additional loss through a binding contractual obligation. Subsequently when the subsidiary reports profits, all such profits shall be allocated to the company until the minority's share of losses previously absorbed by the company have been recovered.
- C** The financial statements of the subsidiary used in the consolidation are normally drawn up to the same reporting date as of the company except in case where the same are not available. They shall then be consolidated based on latest available financial statement. In any case the difference in reporting dates shall not exceed six months.
- D** Figures pertaining to the Subsidiary Companies have been recast/reclassified wherever necessary to bring them in line with the parent Company's financial statements.
- E** The notes and significant accounting policies to the Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. In this respect the Company has disclosed such notes and policies which fairly present the needed disclosures. And such other notes and statutory information disclosed in the financial statements of the parent and subsidiary companies which are not having any effect on the true and fair view of the Consolidated Financial Statements are excluded.
- F** The Company has prepared consolidated financial statement as on 31st March, 2017, as per revised Schedule VI notified under the Act. The Company has also reclassified the previous year figures where required.
- G** Investments other than in subsidiary, if any have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
- H OTHER SIGNIFICANT ACCOUNTING POLICIES**  
These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

**1. SHARE CAPITAL** (Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Authorised Share Capital :</b>		
270000000 Equity Shares of ₹1 each (270000000 Equity Shares of ₹10 each in Previous Year)	270000000	270000000
	<b>270000000</b>	<b>270000000</b>
<b>Issued, Subscribed and Paid up :</b>		
158275560 Equity shares of ₹1 each (15827556 Equity shares of ₹10 each in Previous Year)	158275560	158275560
<b>Total :-&gt;</b>	<b>158275560</b>	<b>158275560</b>

**1.1 The details of Shareholders holding more than 5% shares :**

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% held	No. of Shares	% held
Viral Shah	51763960	32.70	5176396	32.70
General Capital and Holding Company Pvt. Ltd.	15384600	9.72	1538460	9.72
Giraben Kishorsinh Solanki	14157350	8.94	1415735	8.94
Sampati Securities Limited	13834951	8.74	1178349	7.44

**1.2 Sub division of Equity Shares**

Pursuant to shareholders' approval dated 29th September, 2016, the company has sub-divided face value of equity shares of ₹ 10/- each into ten equity shares of ₹ 1/- each w.e.f. October 14, 2016. Accordingly, the basic and diluted earnings per share and the number of shares disclosed in Note 30 have been computed for the current year and re-computed for the previous period based on the revised no. of shares and face value of ₹ 1/- per equity shares.

**1.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period is set out below :**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	(Amount in ₹)	No. of Shares	(Amount in ₹)
Equity Shares at the beginning of the year	15827556	158275560	15827556	158275560
1,58,27,556 equity shares of ₹ 10/- each sub-divided into 15,82,75,560 equity shares of ₹ 1/- each				
Equity Shares at the end of the year	158275560	158275560	15827556	158275560

**1.4 Terms / Rights attached to Equity Shares**

The Company has only one class of equity shares having a face value of ₹1/- per share (Previous Year ₹ 10/- per share). Each equity shareholder is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

**1.5 Shares held by holding/ultimate holding company and/or their subsidiaries/associates : - Nil**



<b>2. RESERVES AND SURPLUS</b>			(Amount in ₹)	
<b>Particulars</b>	<b>As at 31st March, 2017</b>		<b>As at 31st March, 2016</b>	
<b>General Reserve</b>				
As per last Balance Sheet	744800		744800	
Add : Addition during the year	0		0	
Less : Utilisation during the year	0		0	
	<b>744800</b>		<b>744800</b>	
<b>Securities Premium Reserve</b>				
As per last Balance Sheet	526014386		526014386	
Add : Proceeds from IPO	0		0	
Less : Amount utilised towards IPO Expenses	0		0	
	<b>526014386</b>		<b>526014386</b>	
<b>Profit and Loss Account</b>				
As per last Balance Sheet	108577484		241783887	
Add : Profit for the year	(81941646)		(133206403)	
Less : Appropriations during the year	0		0	
	<b>26635837</b>		<b>108577484</b>	
<b>Total :-&gt;</b>	<b>553395023</b>		<b>635336670</b>	

<b>3. LONG TERM BORROWINGS</b>					(Amount in ₹)	
<b>Particulars</b>	<b>As at 31st March, 2017</b>		<b>As at 31st March, 2016</b>			
	<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>		
<b>Secured</b>						
Term Loans						
- From Banks	1717824	3186386	4944210	2840718		
- From Others	5768064	1898635	7666699	1705384		
	<b>7485888</b>	<b>5085021</b>	<b>12610910</b>	<b>4546102</b>		
<b>Unsecured</b>						
Deposits	105195000	0	45115169	0		
Loans and Advance from Related Parties	240212410	0	180512684	0		
	<b>345407410</b>	<b>0</b>	<b>225627853</b>	<b>0</b>		
<b>Total :-&gt;</b>	<b>352893298</b>	<b>5085021</b>	<b>238238762</b>	<b>4546102</b>		

**3.1 Details of Term Loans are as under :**

Auto Loans from HDFC Bank carries interest @ 10.13% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹294820/- including interest.

Auto Loans from Tata Capital Financial Services Ltd. carries interest @ 11.52% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹100100/- including interest.

Auto Loans from Volkswagen Finance Private Limited carries interest @ 10.16% p.a. The loan is repayable in 60 equated monthly installments total amounting to ₹117704/- including interest.

**3.2 Details of Security of the Term Loans are as under :**

Auto Loans from HDFC Bank of ₹7555808/- (Previous Year ₹7784928/-) are secured by way of hypothecation of respective vehicles.

Auto Loans from Tata Capital Financial Services Ltd. of ₹3038986/- (Previous Year ₹3108997/-) are secured by way of hypothecation of respective vehicles.

Auto Loans from Volkswagen Finance Private Limited of ₹6198410/- (Previous Year ₹6263086/-) are secured by way of hypothecation of respective vehicles.

**4. DEFERRED TAX LIABILITY (Net)**

In view of Accounting Standard 22, the significant component and classification of deferred tax liability on accounting of timing difference comprises of the following :

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Liability related to Fixed Assets		
Opening Balance	42866505	51497031
Add : Addition during the year / (Reverted during the year)	(10013725)	(8630526)
<b>Closing Balance</b>	<b>32852780</b>	<b>42866505</b>

**5. LONG-TERM PROVISIONS**

(Amount in ₹)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Non-Current	Current	Non-Current	Current
Provision for Gratuity (Refer Note No. 24.1)	3944480	616448	3081501	849364
<b>Total :-&gt;</b>	<b>3944480</b>	<b>616448</b>	<b>3081501</b>	<b>849364</b>

**6. SHORT-TERM BORROWINGS**

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Secured</b>		
<b>Working Capital Loan repayable on demand from Banks</b>		
Cash Credit	653864173	714491710
<b>Total :-&gt;</b>	<b>653864173</b>	<b>714491710</b>

Working Capital loan from Bank is secured by way of hypothecation of Raw Materials, Work-in-Process, Finished Goods, Stores & Spares, Book Debts etc., and by way of second charge on Company's immovable properties, and also personal guarantee of some of the Directors of the Company as well as corporate guarantee of other group companies.

During the year, the company has made default in repayment of working capital loan repayable on demand from the banks, details of which are as under :

Sr. No.	Name of the Bank	Default made since	Defaulted principal amount outstanding as on Balance Sheet Date	Defaulted interest amount outstanding as on Balance Sheet Date
1	<b>State Bank of Bikaner &amp; Jaipur</b> Satellite Road Branch, Ahmedabad Cash Credit A/c No. 61137449344	December-15	94930515	20217603
2	<b>State Bank of Patiala</b> Mid Corporate Branch, Navrangpura, Ahmedabad Cash Credit A/c No. 65084267769	July-15	250000000	63080539
3	<b>UCO Bank</b> Ashram Road Branch, Ahmedabad Cash Credit A/c No. 19980500007002	May-16	298813289	34428204
4	<b>UCO Bank</b> Kukarvada Branch Cash Credit A/c No. 28390510000137	May-16	10120369	1294142





Note : As all the above Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at the interest rates sanctioned by the banks and shown under the Other Current Liabilities in Balance Sheet.

**7. TRADE PAYABLES** (Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Trade Payables	555058450	385039030
<b>Total :-&gt;</b>	<b>555058450</b>	<b>385039030</b>

**Details of dues to Micro, Small and Medium Enterprise as defined under MSMED Act, 2006**

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure regarding :

- Amount due and outstanding to suppliers at the end of accounting year,
- Interest paid during the year,
- Interest payable at the end of accounting year,
- Interest accrued and unpaid at the end of the accounting year, have not been given.

The Company is making efforts to get the confirmation from the suppliers as regards their status under the Act.

**8. OTHER CURRENT LIABILITIES** (Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Current Maturities of Long Term Debt	5085021	4546102
Interest Accrued and Due on Borrowings	119020488	42946087
Other Payables*	65376460	163857736
<b>Total :-&gt;</b>	<b>189481969</b>	<b>211349925</b>

\* Other Payables include statutory dues, credit balance of Bank Current A/c, creditors for capital goods and advance from customers.

**9. SHORT TERM PROVISIONS** (Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for Gratuity	616448	849364
Provision for Expenses	3386044	3362053
Provision for Taxation	4627593	8672333
<b>Total :-&gt;</b>	<b>8630085</b>	<b>12883750</b>



**10. FIXED ASSETS**

(Amount in ₹)

Name of Assets	Gross Block				Depreciation				Net Block	
	As at 1-4-2016	Addition / Adjustment	Deduction / Adjustment	As at 31-03-2017	As at 1-4-2016	Deduction on account of Sale/ Adjustment	For the Year	As at 31-03-2017	As at 31-03-2017	As at 31-3-2016
<b>TANGIBLE ASSETS :</b>										
Factory Land	13944776	0	0	13944776	0	0	0	0	13944776	13944776
Building - Factory	113327045	8196853	0	121523898	34118056	0	7879949	41998005	79525893	79208990
Building - Office	6991203	0	0	6991203	1002620	0	291629	1294249	5696954	5988583
Furniture	5282235	106509	0	5388744	3146423	0	588244	3734667	1654077	2135812
Office Equipments	2128151	2083240	0	4211391	1651999	0	548303	2200302	2011089	476152
Plant & Machinery	750139884	13770278	0	763910162	337076492	0	78174010	415250502	348659660	413063392
Vehicles	40694969	0	0	40694969	26640214	0	4493352	31133566	9561403	14054755
Computers	491140	78202	0	569342	432276	0	41165	473441	95901	58864
<b>Sub-Total</b>	<b>932999404</b>	<b>24235082</b>	<b>0</b>	<b>957234486</b>	<b>404068081</b>	<b>0</b>	<b>92016652</b>	<b>496084733</b>	<b>461149753</b>	<b>528931323</b>
<b>INTANGIBLE ASSETS :</b>	0	0	0	0	0	0	0	0	0	0
Sub-Total	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>932999404</b>	<b>24235082</b>	<b>0</b>	<b>957234486</b>	<b>404068081</b>	<b>0</b>	<b>92016652</b>	<b>496084733</b>	<b>461149753</b>	<b>528931323</b>
Previous Year	485281604	23517242	180000	508618846	206489493	104716	41238862	247623639	260995207	278792112
CAPITAL WORK IN PROGRESS *									0	0
INTANGIBLE ASSETS UNDER DEVELOPMENT									0	0

**11. GOODWILL ON CONSOLIDATION COMPRISES OF:**

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Goodwill on Consolidation	33698379	33698379
Less: Capital Reserve on Consolidation	0	0
<b>Net Goodwill on Consolidation</b>	<b>33698379</b>	<b>33698379</b>

**12. NON-CURRENT INVESTMENTS**

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Other Investments</b>		
Goldmen Hotels and Resorts Pvt. Ltd. (Investment in Associate *)	0	0
Other Investments (Unquoted)	209030	209030
<b>Total :-&gt;</b>	<b>209030</b>	<b>209030</b>

Such Non-Current Investments are valued at Cost

\* Investment in equity share of Associates is shown as Nil as our share of losses of associate exceeds the carrying amount of such investment .

**13. LONG-TERM LOANS AND ADVANCES (Unsecured and Considered Good)**

(Amount in ₹)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Capital Advance	10857134	70015646
Security Deposit	11240403	11430403
Loans and Advances to Related Parties	21691515	28413887
<b>Total :-&gt;</b>	<b>43789052</b>	<b>109859936</b>



14. OTHER NON-CURRENT ASSETS (Amount in ₹)		
Particulars	As at 31st March, 2017	As at 31st March, 2016
Deposit for Land Leases	960250	929450
<b>Total :-&gt;</b>	<b>960250</b>	<b>929450</b>

15. INVENTORIES (Amount in ₹)		
Particulars	As at 31st March, 2017	As at 31st March, 2016
Raw Materials	276005046	332042309
Finished Goods	124030426	131286468
<b>Total :-&gt;</b>	<b>400035472</b>	<b>463328777</b>

16. TRADE RECEIVABLES (Amount in ₹)		
Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Doubtful*	18127314	18127314
Unsecured and Considered Good	618110754	326666394
<b>Other Trade Receivables</b>		
Unsecured and Considered Good	702094713	744738923
<b>Total :-&gt;</b>	<b>1338332781</b>	<b>1089532631</b>

\* Legal case filed against Salvo Steel Pvt. Ltd. u/s 138 of the Negotiable Instrument Act, 1881, however no provision is made against this amount.

17. CASH AND BANK BALANCES (Amount in ₹)		
Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Balance with Banks :</b>		
In Current Accounts	6103308	973077
In Fixed Deposits*	20527763	25177723
<b>Cash on Hand</b>	2698815	648622
<b>Total :-&gt;</b>	<b>29329886</b>	<b>26799422</b>

\* Fixed Deposit with banks includes deposits of ₹20527763/- (Previous Year ₹25177723/-) given as margin money for Letter of Credit issued by the bank in the favour of the Company.

All Fixed Deposits are with maturity of more than 12 months.



<b>18. SHORT-TERM LOANS AND ADVANCES</b>		<b>(Amount in ₹)</b>		
<b>Particulars</b>	<b>As at 31st March, 2017</b>		<b>As at 31st March, 2016</b>	
<b>Unsecured and Considered Good</b>				
Other Loans and Advances				
Balance With Statutory / Government Authorities	77219916		97098151	
Prepaid Expenses	387246		289351	
Advances To Creditors, Suppliers & Contractors and Others	144422162		69119877	
Staff Advances	1276245		1248645	
<b>Total :-&gt;</b>	<b>223305569</b>		<b>167756024</b>	
<b>19. OTHER CURRENT ASSETS</b>		<b>(Amount in ₹)</b>		
<b>Particulars</b>	<b>As at 31st March, 2017</b>		<b>As at 31st March, 2016</b>	
Interest Accrued on Fixed Deposits, UGVCL & Torrent Power Deposit	740063		3008050	
<b>Total :-&gt;</b>	<b>740063</b>		<b>3008050</b>	
<b>20. REVENUE FROM OPERATIONS</b>		<b>(Amount in ₹)</b>		
<b>Particulars</b>	<b>2016-17</b>		<b>2015-16</b>	
Sale of Products	1756383028		1827547389	
Income From Other Operations	18073813		11016695	
	<b>1774456841</b>		<b>1838564084</b>	
Less : Excise Duty	156644524		196826816	
Less : VAT & CST	46291254		48470241	
	<b>202935778</b>		<b>245297057</b>	
<b>Total :-&gt;</b>	<b>1571521063</b>		<b>1593267027</b>	
<b>20.1 PARTICULARS OF SALE OF PRODUCTS</b>		<b>(Amount in ₹)</b>		
<b>Particulars</b>	<b>2016-17</b>		<b>2015-16</b>	
S.S. & M.S. Structure Products	1756383028		1827547389	
<b>Total :-&gt;</b>	<b>1756383028</b>		<b>1827547389</b>	
<b>21. OTHER INCOME</b>		<b>(Amount in ₹)</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2016-17</b>	<b>2015-16</b>	<b>2015-16</b>
<b>Interest</b>				
From Current Investments	1106108		1907828	
From Others	982546	2088654	918623	2826451
<b>Net Gain on Foreign Currency Transaction &amp; Translation (Other than considered as Finance Cost)</b>				
		0		41899814
<b>Other Non Operating Income</b>		2034094		1042930
<b>Total :-&gt;</b>		<b>4122748</b>		<b>45769196</b>

**22. COST OF MATERIAL CONSUMED**

Particulars	2016-17		2015-16	
	(Amount in ₹)	% of Consumption	(Amount in ₹)	% of Consumption
Imported	32167689	2.91	15489169	1.12
Indigenous	1072097356	97.09	1372491007	98.88
<b>Total :-&gt;</b>	<b>1104265045</b>	<b>100.00</b>	<b>1387980176</b>	<b>100.00</b>

**22.1 PARTICULARS OF MATERIALS CONSUMED**

Particulars	(Amount in ₹)	
	2016-17	2015-16
S. S. Structures	1015490964	1338436603
Furnace Oil & Coal	27448766	13994649
Others	61325315	35548924
<b>Total :-&gt;</b>	<b>1104265045</b>	<b>1387980176</b>

**23. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS & STOCK-IN-TRADE**

Particulars	(Amount in ₹)	
	2016-17	2015-16
<b>Inventories (at commencement)</b>		
Finished Goods / Stock-in-Trade	131286468	121442518
	<b>131286468</b>	<b>121442518</b>
<b>Inventories (at close)</b>		
Finished Goods / Stock-in-Trade	124030426	131286468
	<b>124030426</b>	<b>131286468</b>
<b>Total :-&gt;</b>	<b>7256042</b>	<b>(9843950)</b>

**24. EMPLOYEE BENEFIT EXPENSES**

Particulars	(Amount in ₹)	
	2016-17	2015-16
Salaries and Wages	20230479	15456895
Contribution to Provident & Other Funds	679239	579147
Staff Welfare Expenses	71906	44641
<b>Total :-&gt;</b>	<b>20981624</b>	<b>16080683</b>

**24.1 As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:****Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognized as expense for the year is as under: (Amount in ₹)

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	679239	579147

**Defined Benefit Plans**

At present, the company has not any Defined Benefit Plans which are managed by other third party like LIC etc. However, the company is making provision for the present value of gratuity payable based on actuarial valuation using Projected Unit Credit Method. The company has not made any provision for leave encashment, but the same is recognized as expenses on actual payment basis.



<b>A. Reconciliation of opening and closing balances of Defined Benefit Obligation</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Obligation as at the beginning of the period.	3930865	3221752	
Current Service Cost	658943	482289	
Interest Cost	294815	258446	
Benefits Paid (If Any)	0	0	
Actuarial (Gain)/Loss on obligation	(323695)	(31622)	
Present Value of Obligation as at the end of the period	4560928	3930865	
<b>B. Reconciliation of opening and closing balances of Fair Value of Plan Assets</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Plan Assets as at the beginning of the period.	0	0	
Expected Return on Plan Assets	0	0	
Contributions	0	0	
Actuarial (Gain)/Loss on Plan Assets	0	0	
Fair Value of Plan Assets at the end of the period	0	0	
<b>C. Reconciliation of Fair Value of Assets and Obligations</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Present Value of Obligation as at the end of the period	4560928	3930865	
Fair Value of Plan Assets at the end of the period	0	0	
Net Assets/(Liability) recognized in Balance Sheet	4560928	(3930865)	
<b>D. Expense recognized during the period</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Current Service Cost	658943	482289	
Interest Cost	294815	258446	
Expected Return on Plan Assets	0	0	
Net Actuarial losses (gains) recognized in period	(323695)	(31622)	
Expenses Recognized in the statement of Profit & Loss	630063	709113	
<b>E. Actuarial Assumptions</b>			
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Discount Rate	7.50%	8.00%	
Rate of increase in Compensation Level	6.00%	6.00%	
Rate of Return on Plan Assets	0.00%	0.00%	
Withdrawal Rate	2.00%	2.00%	
Mortality Table (LIC)	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	
<b>25. FINANCE COSTS</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Interest Expenses	119564409	112439352	
Other Borrowing Costs	1611403	4377864	
Applicable Loss on Foreign Currency Transactions and Translation	22750458	0	
<b>Total :-&gt;</b>	<b>143926271</b>	<b>116817216</b>	



26. DEPRECIATION AND AMORTISATION EXPENSES		(Amount in ₹)	
Particulars	2016-17	2015-16	
Depreciation and Amortisation Expenses (Refer Note No. 10)	92016101	105795200	
<b>Total :-&gt;</b>	<b>92016101</b>	<b>105795200</b>	

27. OTHER EXPENSES		(Amount in ₹)		
Particulars	2016-17	2016-17	2015-16	2015-16
<b>Manufacturing Expenses</b>				
Freight & Transportation Expenses	6906602		5732669	
Insurance	495208		300095	
Jobwork Charges	1159350		27558275	
Labour Charges	29630610		30668379	
Other Manufacturing Expenses	3238007		2620404	
Power & Fuel - Factory	70422295		69055544	
Rent	0		0	
Repairs to Building	375367		68305	
Repairs to Machinery	419246		626128	
Stores & Spares	4658977		4656648	
* Excise Duty	(11797574)		2227521	
		<b>105508088</b>		<b>143513968</b>
<b>Selling &amp; Distribution Expenses</b>				
Advertisement Expenses	1545846		1689762	
Packing, Clearing & Forwarding Charges	11710933		11586704	
Other Selling & Distribution Expenses	0		308489	
		<b>13256779</b>		<b>13584955</b>
<b>Establishment Expenses</b>				
Charity & Donations	152100		54554	
Computer Expenses	124497		62195	
General Expenses	1193431		759538	
Legal & Professional Fees	4210873		2580913	
Power & Fuel - Office	752156		767595	
Other Repairs	123168		155346	
Payment to Auditors	375000		350000	
Rate & Taxes	608954		384185	
Stationery & Postage Expenses	539877		459250	
Telephone Expenses	1029761		1099168	
Loss on Foreign Currency Translation	(1329645)		679849	
Travelling Expenses	3857840		2853755	
Vehicle Expenses	594561		422249	
		<b>12232572</b>		<b>10628598</b>
<b>Total :-&gt;</b>		<b>130997439</b>		<b>167727521</b>

\* Excise Duty shown under Expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening stock and closing stock of finished goods.



<b>28. VALUE OF STORES &amp; SPARES CONSUMED</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Imported	0	0	
Indigenous	4658977	4656648	
<b>Total :-&gt;</b>	<b>4658977</b>	<b>4656648</b>	

<b>29. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Raw Materials and Stock-in-Trade	29359482	13319071	
<b>Total :-&gt;</b>	<b>29359482</b>	<b>13319071</b>	

<b>30. PAYMENT TO AUDITORS AS :</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Statutory Audit Fees	275000	250000	
Tax Audit Fees	50000	50000	
Certification and Consultation Fees	50000	50000	
<b>Total :-&gt;</b>	<b>375000</b>	<b>350000</b>	

<b>31. EXPENDITURE IN FOREIGN CURRENCY :</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Raw Material Purchase	29359482	13319071	
Interest on LC - Import	0	0	
Capital Assets Purchase	792778	821875	
Sales Promotion Expenses	1171583	452706	
Stores & Consumable Purchase	0	122670	
<b>Total :-&gt;</b>	<b>31323843</b>	<b>14716322</b>	

<b>32. EARNING PER SHARE</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	(81941646)	(133206403)	
Weighted Average number of Equity shares used as denominator for calculating EPS	158275560	158275560	
Basic and Diluted Earning per Share (in ₹)	(0.52)	(0.84)	
Face Value per Equity Share (in ₹)	1	1	

Pursuant to shareholders' approval dated 29th September, 2016, the company has sub-divided face value of equity shares of ₹ 10/- each into ten equity shares of ₹ 1/- each w.e.f. October 14, 2016. The weighted average number of equity shares of the previous year has been accordingly adjusted by 15,82,75,560 equity shares while computing basic and diluted EPS.

<b>33. EARNING IN FOREIGN EXCHANGE</b>		<b>(Amount in ₹)</b>	
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>	
FOB Value of Exports	560823678	589914848	
<b>Total :-&gt;</b>	<b>560823678</b>	<b>589914848</b>	





**34. RELATED PARTY DISCLOSURE :**

As per Accounting Standard 18 , the disclosure of transactions with related parties are given below :

(Amount in ₹)

Sr. No.	Name of the Related Party and Relationship	Related Party Transaction			
		Loan Taken during the Year	Loan Repaid During The Year	Year End Balance of Loan	Director Salary Paid
1	Giraben Solanki  Relative of Key Managerial Personnel				
		0	205459	1902501	0
		0	0	2107960	60354
		<b>Employee Benefit Expenses Paid</b>			
		412800			
		320000			
2	Manish M. Shah  Relative of Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		0	0	0	0
		0	8594895	0	0
3	Viral M. Shah  Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		3206224	706224	3337606	913776
		706224	2116186	837606	850020
4	Zankarsinh K. Solanki  Key Managerial Personnel	<b>Loan Taken during the Year</b>	<b>Loan Repaid During The Year</b>	<b>Year End Balance of Loan</b>	<b>Director Salary Paid</b>
		706224	706224	30843293	546597
		706224	748641	30843293	508464
5	Mona Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>	<b>Godown Rent Paid</b>		
		280962	38000		
		258940	12000		
6	Dipali Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>			
		186780			
		172139			
7	Sarojben M. Shah  Relative of Key Managerial Personnel	<b>Employee Benefit Expenses Paid</b>			
		142671			
		269236			



Sr. No.	Name of the Related Party and Relationship	Related Party Transaction			
		Employee Benefit Expenses Paid	Godown Rent Paid		
8	Dhara Z. Solanki  Relative of Key Managerial Personnel				
		159642	38000		
		147125	12000		
9	Sampati Securities Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	Loan Taken during the Year	Loan Repaid During The Year	Year End Balance of Loan	Interest Paid @ 12%
		568297700	440038000	158149423	8809678
		121841832	178000000	21961013	5968236
10	Torque Automotive Pvt. Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	Loan Taken during the Year	Loan Repaid During The Year	Year End Balance of Loan	
		1603264	22181074	0	
		14317811	14975520	20577812	
11	Long View Financial Services Pvt. Ltd.  Company in which KMP/Relatives of KMP can exercise significant influence	Loan Taken during the Year	Loan Repaid During The Year	Year End Balance of Loan	
		21200	21200	0	
		0	0	0	

**35. SEGMENT REPORTING :**

The Company is mainly engaged in the business of manufacturing of S.S. Products. Considering the nature of business and financial reporting of company, the company has only one segment, viz. S.S. Products as reportable segment. The company operates in local / export segment geographically of which the export has amounted to ₹560823678/- out of total turnover of ₹1553447250/- but due to nature of the business, the assets / liabilities and expenses for these activities can not be bifurcated separately.

**36. CONTINGENT LIABILITIES :**
**(Amount in ₹)**

Particulars	2016-17	2015-16
* Claims against the Company not acknowledged as debt <i>(Net of amount paid to statutory authorities and provided in to accounts)</i>	829577816	395705537

\* Claims against the Company not acknowledgement as debt includes demand from the Gujarat VAT Authority for payment of VAT and CST of ₹823963086/- and from the Indian Income Tax Authority for payment of tax of ₹5614730/- The Company has filed appeal with higher authorities and the Company has been legally advised that the additional demands raised are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

**37. THE SUBSIDIARY COMPANIES CONSIDERED IN THE CONSOLIDATED FINANCIAL STATEMENTS ARE :**

List of subsidiaries and the Company's effective holdings therein are as under:

Name of the Subsidiary	Country of the Incorporation	Date on which it became Subsidiary	Effective Ownership in Subsidiaries	
			As at 31st March, 2017	As at 31st March, 2016
Thai Indo Steel Co. Ltd. (Applicable Section - Section 2(87))	Thailand	11-12-2013	91.98%	91.98%



**38. A) Reasons for consolidation based on Management Accounts :**

The Company has a holding of 91.98% in its subsidiary Company namely Thai Indo Steel Limited. In the absence of availability of the Audited financials for the purposes of this consolidated financial statement, Consolidated Financial Statement for the year 2016-17 was prepared with considering the Management Accounts of this subsidiary.

B) Pursuant to the Securities Exchange Board of India circular no. CIR/CFD/DIL/7/2011 dated October 5, 2011, all listed companies are required to submit their Standalone and Consolidated annual audited results within 60 days from the end of the financial year. In respect of one of the subsidiary namely Thai indo steel Limited it was not practicable to draw up the financial statements up to March 31, 2017 within the stipulated period. Accordingly, the management has considered unaudited financial statements of that subsidiary for the year ended November 30, 2016. Further, no material transactions and other events were found between December 1, 2016 and March 31, 2017 which required financial adjustments as per the requirements of AS 21.

**39. Necessary adjustments are normally made in the CFS to align the accounting policy of all the group concerns with that of the company. However in respect of the following components of the consolidated financial statements, the accounting policies followed by the subsidiary is different from that of the company:-**

<b>Components of Consolidated financial statements</b>	<b>Particulars</b>	<b>Amount As at 31st March, 2017 (in ₹)</b>	<b>Proportion of the component %</b>
Depreciation (Post Acquisition)	The subsidiary has provided depreciation on Straight Line method as against Written Down Value followed by the company.	1,347	0.00%
Accumulated Depreciation		12,372	0.00%

**40. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.**

<b>Name of the entity</b>	<b>Net Assets, i.e., Total Assets minus Total Liabilities</b>		<b>Share in Profit or Loss</b>	
	<b>As % of Consolidated Net Assets</b>	<b>(Amount in ₹)</b>	<b>As % of Consolidated Profit or Loss</b>	<b>(Amount in ₹)</b>
<b>Parent</b>				
Gyscoal Alloys Limited	91.88%	653875150	100.76%	(82563518)
<b>Subsidiaries</b>				
<b>Foreign</b>				
Thai Indo Steel Limited	8.12%	57795434	(0.79%)	647871
Minority Interests in all subsidiaries	3.25%	23154415		
<b>Associates</b>				
M/s. Goldman Hotels and Resorts Private Limited	NA	NA	0.03%	(26000)

Note :

- Minority Interest has been considered as part of Liabilities at the time of calculation of Net Assets.
- Goodwill on Consolidation has been considered as part of Assets at the time of calculation of Net Assets.

**41. SPECIFIED BANK NOTE DISCLOSURE :**

Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as under :

<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination Notes</b>	<b>Total</b>
Closing cash in hand on 08/11/2016	12194500	1835511	14030011
(+) Permitted Receipts	0	592000	592000
(-) Permitted Payments	0	1860276	1860276
(-) Amount Deposited in Banks	12194500	0	12194500
Closing cash in hand As on 30/12/2016	0	567235	567235

- 42.** Set up of the Phase –I and Phase –II new project is completed and Company has already started the Commercial Production.
- 43.** In the opinion of Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all liabilities is adequate and not in excess of the amounts considered reasonably necessary.
- 44.** Outstanding Balance of unsecured loans, trade receivables, trade payables, loans and advances and any other outstanding balances including all squared up accounts are subject to confirmation and reconciliation.

As per our Report of even date

For & on behalf of the Board of Directors

**For, SAURABH R. SHAH & CO.**

Chartered Accountants  
Firm Reg. No. 127176W

**Viral Shah**

Chairman & Managing Director  
DIN - 00014182

**Zankarsinh Solanki**

Wholetime Director  
DIN - 00014226

**N. S. Patel**

Partner  
Membership No. 151799  
Ahmedabad  
May 29, 2017

**Kalpesh Patel**

Chief Financial Officer

**Priti Kakkar**

Company Secretary

**Annexure - A - Subsidiaries**
**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013**

(Pursuant to first proviso of Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies Account Rules, 2014)

Sr. No.	Name of Subsidiary Company	Currency	% Shareholding	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
<b>a) The subsidiary Companies considered in the Consolidated Financial Statements are :-</b>														
1	Thai Indo Steel Company Ltd.	INR	91.98%	5,97,97,376	(20,01,943)	9,10,18,645	3,32,23,212	-	-	(16,965)	-	(16,965)	-	Thailand
		BHAT		2,49,50,000	(12,99,639)	4,75,91,828	2,39,41,467	-	-	(9,746)	-	(9,746)	-	

**b) Investment in Associates :-**

Sr. No.	Name of Associate Company	Country of Incorporation	Percentage of Holding	
			Current Year	Previous Year
1	M/s. Goldmen Hotels and Resorts Pvt. Ltd.	India	26%	0%

**Note :-**

- Investments exclude investment in subsidiary.
- Proposed dividend from the subsidiary is Nil.
- The subsidiary "Thai Indo Steel Company Ltd." is yet to commence operations.
- The whole of profit / (loss) of the subsidiary as above has been considered for consolidation.
- The subsidiary maintains its accounts in Bhat currency. The closing Exchange rate used for conversion of monetary items is 1.9205 Rs / Bhat.
- The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies. The same shall also be made available for inspection. If any of the shareholders desire hard copy of the financial statements of the subsidiary company, the same shall be provided on demand.





**GYSKOAL ALLOYS LIMITED**

Regd Office : Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830  
Tele. : +91 2763 252384 Fax : +91 2763 252540  
Corporate Office : 2nd Floor, Mrudul Tower,B/h. Times of India, Ashram Road, Ahmedabad-380 009, Gujarat, INDIA.  
Te.: +91 79 66614508 Fax : +91 79 26579387 Email : [info@gyscoal.com](mailto:info@gyscoal.com) website: [www.gyscoal.com](http://www.gyscoal.com)  
CIN : L27209GJ1999PLC036656

**ATTENDANCE SLIP**

Full name of the member attending \_\_\_\_\_

Full name of the joint-holder \_\_\_\_\_

(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy \_\_\_\_\_

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of Gyscoal Alloys Limited held Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830 at 11:00 a.m. on Thursday, 28<sup>th</sup> day of September, 2017.

Registered Folio No. \_\_\_\_\_

DP Id.\* \_\_\_\_\_

No of Share Held \_\_\_\_\_

Client Id.\* \_\_\_\_\_

\_\_\_\_\_  
Member's / Proxy's name In Block Letters

\_\_\_\_\_  
Member's / Proxy's Signature

\*Applicable for investors holding shares in electronic form



**GYSCOAL ALLOYS LIMITED**

Regd Office : Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana 382830  
 Tele. : +91 2763 252384 Fax : +91 2763 252540  
 Corporate Office : 2nd Floor, Mrudul Tower,B/h. Times of India, Ashram Road, Ahmedabad-380 009, Gujarat, INDIA.  
 Te.: +91 79 66614508 Fax : +91 79 26579387 Email : [info@gyscoal.com](mailto:info@gyscoal.com) website: [www.gyscoal.com](http://www.gyscoal.com)  
 CIN : L27209GJ1999PLC036656

**Form No. MGT- 11  
PROXY FORM**

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

Name of Members : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 E-mail Address : \_\_\_\_\_  
 Folio No. | Client ID : \_\_\_\_\_  
 DP Id : \_\_\_\_\_

I / We, being the member(s) of Equity Shares of the above named Company, hereby appoint:

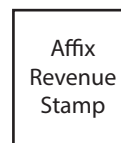
- 1) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E Mail : \_\_\_\_\_ Signature: \_\_\_\_\_,or failing him;
- 2) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E Mail : \_\_\_\_\_ Signature: \_\_\_\_\_,or failing him;
- 3) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E Mail : \_\_\_\_\_ Signature: \_\_\_\_\_,

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the members of the company to be held on Thursday, 28<sup>th</sup> day of September, 2017 at 11:00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS
<b>ORDINARY BUSINESS</b>	
1	Adoption of Annual Accounts of the Company as on 31 <sup>st</sup> March, 2017 (Ordinary Resolution).
2	Re-appointment of Shri Viral M Shah who retires by rotation, and being eligible offers himself for Re-appointment. (Ordinary Resolution)
3	Ratification of re-appointment of M/s Saurabh R Shah Chartered Accountants having registration number 127176W and fixing their Remuneration.(Ordinary Resolution)
<b>SPECIAL BUSINESS</b>	
4	Re-appointment of Shri Viral M Shah as Chairman & Managing Director for a period of five years (Ordinary Resolution)
5	Approval of remuneration of Cost Auditor for the year 2017 – 2018. (Ordinary Resolution)

Signed this ..... day of ..... 2017

Signature of Shareholder .....

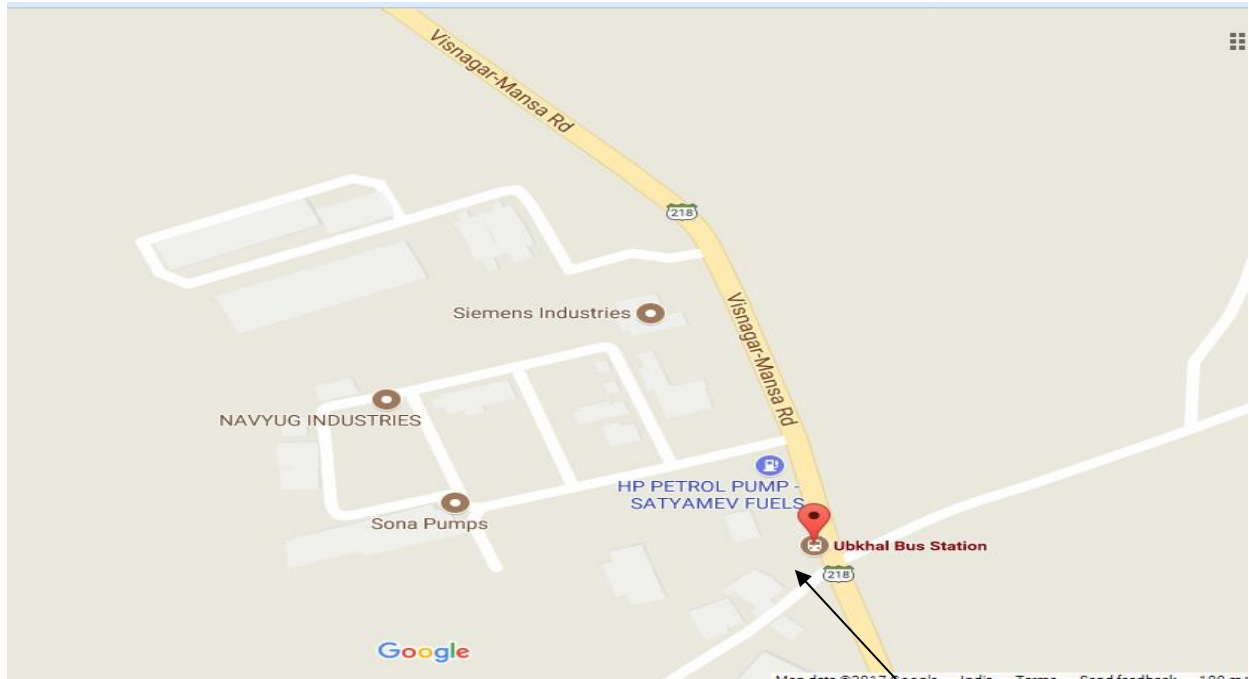


Signature of Proxy holder(s): .....

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.



**Route Map to the Venue of the AGM**



**GYSCOAL ALLOYS LIMITED**

**Registered Office**

GYSCOAL ALLOYS LIMITED  
Plot No. 2/3 GIDC, Ubkhal,  
Kukarwada, Tal. Vijapur,  
Dist.: Mehsana -382830

*If undelivered, Please return to:*  
Gyscoal Alloys Limited  
**Corporate Office :** 2nd Floor, Mrudul Tower,  
B/h Times of India, Ashram Road,  
Ahmedabad 380009, Gujarat  
CIN - L27209GJ1999PLC036656