



# Rajasthan Cylinders And Containers Ltd

(Regd. Office: SP - 825, Road No. 14, V K I Area, Jaipur -302013)  
TEL. : 91-141-2331771-2 ; FAX : 91-141-2330810 ; e - Mail : [info@bajoriagroup.in](mailto:info@bajoriagroup.in)  
CIN No. : L28101RJ1980PLC002140 ; Website : [www.bajoriagroup.in](http://www.bajoriagroup.in)

Ref: RCCL/Sec/18-19  
Date: 03.10.2018

To,  
BSE Limited  
PhirozeJeejeebhoy Towers  
Dalal Street  
Mumbai - 400001.

**Ref: Rajasthan Cylinders And Containers Ltd (Scrip Code: 538707)**  
**Sub: Annual Report 2017-18**

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith Annual Report for the financial year 2017-18 of M/s Rajasthan Cylinders And Containers Ltd.

Kindly update the same in your records.

Thanking you.  
Yours Faithfully,  
For Rajasthan Cylinders And Containers Ltd

  
(Anisha Jain)  
Company Secretary



Encl : As Above



**RAJASTHAN CYLINDERS AND CONTAINERS LTD**

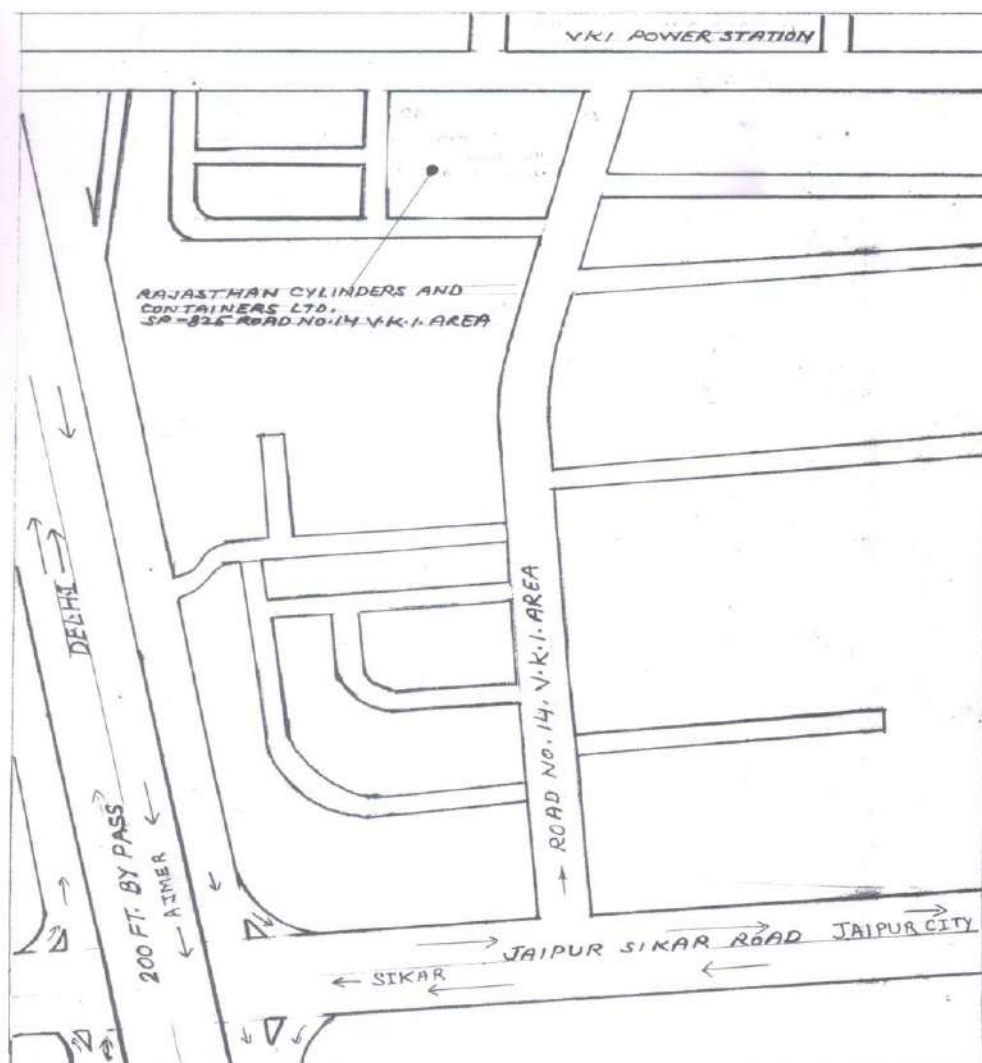
**38th Annual Report**

**2017-18**

**SP-825, ROAD NO.14, V.K.I. AREA, JAIPUR-302013**

**Route Map to the AGM Venue**

**Venue: SP-825, Road No. 14, Vishwakarma Industrial Area, Jaipur-302013**



**Landmark : VKI Power Station**

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**RAJASTHAN CYLINDERS AND CONTAINERS LTD**  
**38th ANNUAL REPORT**

<b>BOARD OF DIRECTORS</b>	AVINASH BAJORIA (DIN No. 01402573) Managing Director RAGHUNANDAN JALAN (DIN No. 00966229) Director PRATAP KUMAR MONDAL (DIN No. 06730854) Director PREETANJALI BAJORIA (DIN No. 01102192) Whole-Time Director RAFAT ALI (DIN No. 08197811) Additional Director AMIT VASHISHATHA (DIN : 07190917) Additional Director
<b>COMPANY SECRETARY</b>	ANISHA JAIN
<b>CFO</b>	SURESH JAIN
<b>BANKERS</b>	KOTAK MAHINDRA BANK LTD
<b>AUDITORS</b>	S.S. SURANA & CO. E-285, LAL KOTHI SCHEME JAIPUR-302015
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD. BEETAL HOUSE, 3rd FLOOR, 99, MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEAR DADA HARSUKHDAS MANDIR NEW DELHI -110062 Tel No. 011-29961281 Fax no. 011-29961284 E-mail - beetal@beetalfinancial.com
<b>FACTORY &amp; REGISTERED OFFICE</b>	SP-825, ROAD No. 14, VISHWAKARMA INDUSTRIAL AREA, JAIPUR-302013
<b>E-MAIL</b>	<a href="mailto:info@bajoriagroup.in">info@bajoriagroup.in</a>
<b>WEBSITE</b>	<a href="http://www.bajoriagroup.in">www.bajoriagroup.in</a>
<b>CIN No.</b>	L28101RJ1980PLC002140



**RAJASTHAN CYLINDERS AND CONTAINERS LTD**  
**REGISTERED OFFICE: SP-825, ROAD NO. 14, V.K.I. Area, Jaipur-302013**

**NOTICE**

Notice is hereby given that the Thirty Eighth Annual General Meeting of **M/S RAJASTHAN CYLINDERS AND CONTAINERS LTD** will be held on Saturday, September 29<sup>th</sup>, 2018 at 2.00 P.M. at SP-825, Road No. 14, Vishwakarma Industrial Area, Jaipur – 302013, to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements (including the consolidated financial statements) of the company for the financial year ended March 31, 2018 and the reports of Board of Directors ("the Board") and Auditors thereon.

**SPECIAL BUSINESS:**

2. To appoint Mr. Rafat Ali (holding DIN 0008197811) as an Independent Director and in this regard 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 149, 150, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR/Listing Regulations), including any statutory modifications or re-enactments thereof and any rules made thereunder, for the time being in force, Mr. Rafat Ali (holding DIN 0008197811), who has been appointed as an Additional Director of the Company w.e.f. August 14, 2018 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non- Executive Independent Director of the Company for the period of 5 years i.e. upto August 13, 2023, whose office is not liable to retire by rotation."

3. To appoint Mr. AmitVashishatha (holding DIN 07190917) as an Independent Director and in this regard 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 149, 150, 152 read with Schedule IV and all other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR/Listing Regulations), including any statutory modifications or re-enactments thereof and any rules made there under, for the time being in force, Mr. AmitVashishatha (holding DIN 07190917), who has been appointed as an Additional Director of the Company w.e.f. August 14, 2018 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non- Executive Independent Director of the Company for the period of 5 years i.e. upto August 13, 2023, whose office is not liable to retire by rotation."

4. To re-appoint Mrs. PreetanjaliBajoria (holding DIN: 01102192) as a Whole - Time Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution** :

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 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), approval of the members of the company be and is hereby accorded to the re-appointment of Mrs. PreetanjaliBajoria (DIN : 01102192 ) as Whole - Time Director of the company, liable to retire by rotation for the further period of 3 (three) years with effect from October 01, 2018 upon the existing terms and conditions as well as remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting

**RESOLVED FURTHER THAT** the Board of Directors (which shall deem to include Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and/or remuneration from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, does not exceed the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof."

"**RESOLVED FURTHER THAT** in the event of inadequacy or absence of profit in any financial year, Mrs. PreetanjaliBajoria shall be paid the same remuneration as the minimum remuneration."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things and execute all such deeds, documents, writings and the like as the Board in its sole and absolute discretion may deem fit, necessary, expedient, desirable, appropriate or proper."

By order of the Board  
 Sd/-  
**(AvinashBajoria)**  
 Managing Director  
 DIN No. : 01402573

Place: Jaipur  
 Date: August 14, 2018

**Registered Office:**  
 SP-825, Road No.14,  
 VKI Area, Jaipur-302013.  
 CIN No. L28101RJ1980PLC002140  
 TEL: 91-141-2331771-2; FAX: 91-141-2330810  
 E-mail:[info@bajoriagroup.in](mailto:info@bajoriagroup.in) ; Website:[www.bajoriagroup.in](http://www.bajoriagroup.in)

**IMPORTANT NOTES:**

- The Register of Members and the Share Transfer books of the Company will remain closed from Monday, September 24<sup>th</sup>, 2018 to Saturday, September 29<sup>th</sup>, 2018 (both days inclusive) for annual closing.
- The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") of the person seeking appointment as Director under item 2,3 and 4 of the notice are also annexed.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A 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 proxy for any other person or shareholder.  
 The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
- Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

5. Members / Proxies / Authorised Representatives are requested to bring their duly filled attendance slip along with their copy of Annual Report to the meeting.
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates or any other change to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any change in their address or bank mandates or any other change immediately to the Company/Company's Registrar and Share Transfer Agent, M/s BEETAL Financial & Computer Services Pvt. Ltd., BEETAL HOUSE, 3<sup>rd</sup> Floor, 99, Madangir, Behind LSC, New Delhi – 110062.
7. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to the M/s Beetal Financial & Computer Services Pvt. Ltd. /Company by sending a duly signed letter alongwithself attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit the copy of bank passbook/statement attested by the Bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
8. Members of the company had approved the appointment of M/s S.S. Surana & Co., Chartered Accountants as the Statutory Auditors of the company at the Annual General Meeting held on September 30, 2014 which is valid till the conclusion of 40<sup>th</sup> Annual General Meeting of the company. In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
9. The Notice of AGM along with the Annual Report 2017-18 is being sent by electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. Members may also note that the Notice of the Thirty Eighth Annual General Meeting and the Annual Report for the financial year 2017-18 will also be available on the Company's website [www.bajoriagroup.in](http://www.bajoriagroup.in) for their download. For members who have not registered their email address, physical copies of the aforesaid documents are being sent in permitted mode. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit the same in the AGM of the company.
10. As mandated under Companies Act, 2013, Members who have not registered their email address are requested to register the same with their concerned Depository Participants or the Company at [info@bajoriagroup.in](mailto:info@bajoriagroup.in) or the Registrar And Share Transfer Agent for receiving all communication from the company electronically.
11. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the company during business hours on all working days up to the date of Annual General Meeting.
12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names as per the Register of Members of the company will be entitled to vote.
13. Members desirous of seeking any information relating to accounts and operations of the Company are requested to address their queries to the Company Secretary at least 10 days in advance of the meeting to enable the Company to keep the information ready.
14. Non-Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
15. The route map showing directions to reach the venue of Thirty – Eighth Annual General Meeting is annexed.

**16. VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provides to its members facility to exercise their right to vote on the resolutions proposed to be passed in the Meeting by electronic means and the business may be transacted through such voting. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("Remote E-voting"). The Resolution(s) passed by Members through e-voting is /are deemed to have been passed as if they have been passed at AGM.

The facility for voting through poll shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through poll.

The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

The Company has engaged the services of M/s Beetal Financial & Computer Services Pvt. Ltd. and Central Depository Services Limited (CDSL) to provide the e-voting facility.

**PROCEDURE FOR REMOTE E-VOTING -**

**The instructions for members for remote voting are as under:-**

**(A) In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i.e. "RAJASTHAN CYLINDERS AND CONTAINERS LIMITED" from the drop down menu and click on "SUBMIT"
- (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 first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If 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 reach directly 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 of Rajasthan Cylinders And Containers Limited which is **180817030** 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed 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 cast their vote using CDSL's mobile app m-voting available for Android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non-individual Shareholders and Custodians
  - Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) 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.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodians, if any in the 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).

**(B) In case a Member receiving a physical copy:**

Please follow all the steps from Sl. No. (i) to Sl. No. (xix) above to cast vote.

**(C) Other Instructions:**

- (i) The e-voting period begins on Wednesday, September 26, 2018 at 9:00 a.m. and ends on Friday, September 28, 2018 at 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) being September 22, 2018 may cast their vote electronically and a person who is not a member as on the cut-off date should treat this Notice for information purposes only. The e-voting module shall be disabled by CDSL for voting thereafter i.e. at the end of Remote e-voting period, the e-voting facility shall forthwith be blocked. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (ii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on September 22, 2018. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting.
- (iii) Mr.Arun Kumar Shrivastav, Chartered Accountant in practice (Membership No. 411224) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than three days of the conclusion of meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The Chairman or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
- (v) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bajoriagroup.in](http://www.bajoriagroup.in) and on the website of service provider [www.evotingindia.com](http://www.evotingindia.com) immediately after the result is declared by the Chairman or any other person authorised by the Chairman, and the same shall be communicated to the stock exchanges where the shares of the company are listed.

**I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 2**

Mr. Rafat Ali is appointed as an Additional Director of the company under the category of Non – Executive Independent Director with effect from August 14, 2018 as per the terms of Section 161(1) of Companies act, 2013 and as per the provisions, the term of his office will expire at this ensuing Annual General Meeting.

The company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from the member proposing the candidature of Mr. RafatAli for the office of Director of the Company.

The Company has received from Mr.RafatAli , a certificate to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has received a declaration from Mr. Rafat Ali that he meets the criterion of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

And in the opinion of the Board, Mr. Rafat Ali fulfills the conditions specified in the Act and the Rules framed thereunder for his appointment as an Independent Director.Mr.Rafat Ali is independent of the management and possess appropriate skills, experience and knowledge. Accordingly, the Board recommends the ordinary resolutions set out in Item No. 2 of the Notice for the approval by the shareholders of the Company. As per Section 149 of the Companies Act, 2013, he is not liable to retire by rotation.

The terms and conditions of appointment of Mr. Rafat Ali as an Independent Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Rafat Ali is concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

**Item No. 3**

Mr.AmitVashishathais appointed as an Additional Director of the company under the category of Non – Executive Independent Director with effect from August 14, 2018 as per the terms of Section 161(1) of Companies act, 2013 and as per the provisions, the term of his office will expire at this ensuing Annual General Meeting.

The company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from the member proposing the candidature of Mr. AmitVashishatha for the office of Director of the Company.

The Company has received from Mr. AmitVashishatha, a certificate to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Company has received a declaration from Mr. AmitVashishatha that he meets the criterion of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.



And in the opinion of the Board, Mr. AmitVashishathafulfils the conditions specified in the Act and the Rules framed there under for his appointment as an Independent Director. Mr. AmitVashishatha is independent of the management and possess appropriate skills, experience and knowledge. Accordingly, the Board recommends the ordinary resolution as set out in Item No. 3 of the Notice for the approval by the shareholders of the Company. As per Section 149 of the Companies Act, 2013, he is not liable to retire by rotation.

The terms and conditions of appointment of Mr. AmitVashishatha as an Independent Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. AmitVashishatha is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

**Item No. 4**

Mrs.PreetanjaliBajoria is the promoter of the company and was appointed as Whole Time Director, liable to retire by rotation for the period of 3 years w.e.f. October 01, 2015 at 35<sup>th</sup> Annual General Meeting of the members of the company held on September 29, 2015. However, taking into account her long business experience and for the efficient running of the business, it is considered necessary that the services of Mrs. PreetanjaliBajoria should be available to the company for further periods. Hence, in accordance with the recommendation of Nomination and Remuneration Committee, the Board of Directors of the company at its meeting held on August 14, 2018, has subject to approval of shareholders, re-appointed Mrs. PreetanjaliBajoria as the whole time Director of the company for the further period of 3 years with effect from October 1, 2018 on the following existing terms and conditions:-

The material terms of re-appointment and remuneration are given below:-

1. Tenure : Three years with effect from October 1, 2018

2. Salary Comprising

i) Basic Salary: At the rate not exceeding Rs. 75,000/- per month with an authority to the Board to increase from time to time in accordance with and within limits specified in Schedule V of the Act as amended from time to time.

ii) Commission and Performance linked incentive:

On net profits of the Company determined in accordance with the relevant provisions of the Companies Act, 2013 at the rate to be determined by the Board of Directors from time to time, provided that the total remuneration including salary and perquisites along with the commission paid to the Directors shall not exceed the limit laid down under Companies Act, 2013 read with Schedule V of the Act.

iii) Perquisites

1. In addition to the Remuneration as stated above, Mrs. PreetanjaliBajoria shall be entitled, as per the Rules of the Company to perquisites like :

- a. Rent – free furnished accommodation or House Rent Allowance in lieu thereof subject to maximum of 50 % of Basic Salary.
- b. Reimbursement of Medical Expenses subject to a limit of one month basic Salary per annum. Insurance premium on policy for medical and hospitalization for self and family which shall not exceed Rs. 25000/-.
- c. Personal Accident Insurance Premium, the premium of which shall not exceed Rs. 15,000/- per month.
- d. Leave Travel Allowance for self and family once a year.
- e. Education Allowance for children, whether abroad or in India.
- f. Subscription to clubs.
- g. Car with driver for use in Company's business and for personal use.
- h. Provision of telecommunication facilities.
- i. Reimbursement of actual expenses incurred for gas, electricity, society charges and maintenance of residential premises.
- j. Following perquisites which shall not be included in the computation of ceiling on remuneration specified above :
  - Gratuity on the basis of 15 days salary for each year completed service, as per the rules of the company.
  - Encashment of leave at the end of the tenure in accordance with the rules of the company.
  - Contribution to Provident Fund and Superannuation Fund as per the rules of the Company.

Other Terms :

- a. She shall be entitled to reimbursement of expenses actually and properly incurred by her for the business of the company.
- b. She shall not be paid any sitting fees for attending the Board Meetings or committee thereof.

The information as required under proviso (iv) to Clause B of Part II of Schedule V of the Act are given hereunder –

I. GENERAL INFORMATION																														
1	Nature of Industry	Manufacturer of LPG Cylinders, Valves, Regulators and filling of LPG Gas																												
2	Date or expected date of commencement of commercial production	The Company was incorporated in the year 1980 and is already in commercial production for long.																												
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																												
4	Financial performance based on given indicators	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Financial Parameters</th> <th colspan="3">Years</th> </tr> <tr> <th>2016-17</th> <th>2015-16</th> <th>2014-15</th> </tr> </thead> <tbody> <tr> <td>(Rs./Lakhs)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Turnover</td> <td style="text-align: right;">77,57,85,143</td> <td style="text-align: right;">54,27,50,666</td> <td style="text-align: right;">50,46,77,874</td> </tr> <tr> <td>Net Profit /(Loss)</td> <td style="text-align: right;">80,07,923</td> <td style="text-align: right;">(17,87,717)</td> <td style="text-align: right;">(1,08,39,418)</td> </tr> <tr> <td>Amount of dividend paid</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td>Rate of dividend paid</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> </tr> </tbody> </table>	Financial Parameters	Years			2016-17	2015-16	2014-15	(Rs./Lakhs)				Turnover	77,57,85,143	54,27,50,666	50,46,77,874	Net Profit /(Loss)	80,07,923	(17,87,717)	(1,08,39,418)	Amount of dividend paid	Nil	Nil	Nil	Rate of dividend paid	Nil	Nil	Nil	
Financial Parameters	Years																													
	2016-17	2015-16	2014-15																											
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Net Profit /(Loss)	80,07,923	(17,87,717)	(1,08,39,418)																											
Amount of dividend paid	Nil	Nil	Nil																											
Rate of dividend paid	Nil	Nil	Nil																											
5	Foreign investments or collaborations, if any	Nil																												
II. INFORMATION ABOUT THE APPOINTEE																														
1	Background details	Mrs.PreetanjaliBajoria is a graduate and she has been associated with the company since many years. She is having vast experience and expertise in manufacturing industry.																												
2	Past Remuneration	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Organization</th> <th>Period</th> <th>Total Amount</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Rajasthan Cylinders And Containers Ltd.</td> <td>1.4.2016 to 31.03.2017</td> <td style="text-align: right;">9,75,000</td> </tr> <tr> <td>1.4.2015 to 31.03.2016</td> <td style="text-align: right;">4,75,000</td> </tr> <tr> <td>1.4.2014 to 31.03.2015</td> <td style="text-align: right;">5,50,000</td> </tr> </tbody> </table>	Organization	Period	Total Amount	Rajasthan Cylinders And Containers Ltd.	1.4.2016 to 31.03.2017	9,75,000	1.4.2015 to 31.03.2016	4,75,000	1.4.2014 to 31.03.2015	5,50,000																		
Organization	Period	Total Amount																												
Rajasthan Cylinders And Containers Ltd.	1.4.2016 to 31.03.2017	9,75,000																												
	1.4.2015 to 31.03.2016	4,75,000																												
	1.4.2014 to 31.03.2015	5,50,000																												
3	Recognition or awards	Nil																												
4	Job profile and his suitability	She is looking after day to day operations of the company, thereby managing business in an efficient manner since many years.																												
5	Remuneration proposed	Proposed remuneration as approved by the Nomination and Remuneration Committee & Board of Directors at their meeting held on 12.08.2015 and 13.08.2015 respectively subject to approval as may be necessary from Central Government and others, if any.  <b>Period</b> 1.10.2018 to 30.09.2021 Item Description Rs./PM      Rs./PA Basic Salary      75,0009,00,000																												



		Plus other perquisites and benefits as given in the explanatory statement.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of origin)	Her remuneration is either at par or less than the remuneration drawn by persons of similar qualification and experience in the industry.
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. AvinashBajoria, Managing Director is related with Mrs. PreetanjaliBajoria.
<b>III. OTHER INFORMATION</b>		
1	Reasons of loss or inadequate profits	The major reasons for inadequate profits are :- 1. Increase in cost of various inputs. 2. Invariable orders from the oil marketing Companies. 3. Government policies and location disadvantage due to one NDP (Net Delivery Price) for whole of the India.
2	Steps taken or proposed to be taken for improvement	The company is continuously taking up the matter with its customers for revision in the prices so as to offset the increased input costs. Rationalising the production facilities to reduce the cost. Control and reduction of controllable expenses.
3	Expected increase in productivity and profits in measurable terms.	Company mainly sell its product to the Oil Marketing Companies. The consistent flow of the orders from them with revision in the prices corresponding to increase in input cost could result in the better financial performance of the Company.
<b>IV DISCLOSURES: As required, the information is provided under Corporate Governance part of Directors' Report.</b>		

The brief resume of Mrs. PreetanjaliBajoria is given under the details of directors seeking appointment/ re-appointment as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Companies Act, 2013, the aforesaid re-appointment and terms of remuneration are subject to the approval of members in the ensuing Annual General Meeting. Accordingly, the Board recommends the passing of special resolution as set out in the Item No. 4 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mrs. PreetanjaliBajoria, Mr. AvinashBajoria and their relatives is deemed to be concerned or interested in the resolution set out at Item No. 4.

**Details of Directors Seeking Appointment/Re-appointment at the Forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards -2]**

**Mr. Rafat Ali**

Mr. Rafat Ali (DIN:- 0008197811) (Born on 25/02/1980) aged 38 years is Non-Executive Independent Director of the company. He is appointed as an Additional Director under the category of Non-Executive Independent Director w.e.f. August 14, 2018. He is a graduate by qualification. After considering his vast knowledge and expertise in marketing field, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved his appointment as Non-Executive Independent Director of the company. Mr. Rafat Ali, is not related with any other director, key managerial personnel of the company. He is not liable to retire by rotation.

- **Companies other than Rajasthan Cylinders And Containers Limited**
- **Mr. Rafat Ali holds the directorship** **None**
- **Membership /Chairmanship of committees of other public companies** **NIL**
- **No. Of shares held in the company** **NIL**
- **No. Of Board Meeting attended during the year in the company** **NIL**

**Mr. AmitVashishatha**

Mr. AmitVashishatha (DIN:- 07190917) (Born on 24/10/1978) aged 39 years is Non-Executive Independent Director of the company. He is appointed as an Additional Director under the category of Non-Executive Independent Director w.e.f. August 14, 2018. He is a graduate in Bachelor of Arts (B.A.). After considering his vast knowledge and expertise in marketing field, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved his appointment as Non-Executive Independent Director of the company. Mr. AmitVashishatha, is not related with any other director, key managerial personnel of the company. He is not liable to retire by rotation.

- **Companies other than Rajasthan Cylinders And Containers Limited**
- **Mr. AmitVashishatha holds the directorship** **None**
- **Membership /Chairmanship of committees of other public companies** **NIL**
- **No. Of shares held in the company** **NIL**
- **No. Of Board Meeting attended during the year in the company** **NIL**

**Mrs. PreetanjaliBajoria**

Mrs. PreetanjaliBajoria (DIN:-01102192) (Born on 25/12/1973) aged 44 years is the whole time director of the company. She was appointed as an Additional Director under the category of Non-Executive Promoter Director w.e.f. March 30, 2015. She is a graduate by qualification. After considering her long business experience and expertise in manufacturing industry, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved her re-appointment as whole time director of the company, liable to retire by rotation for the period of three (3) years w.e.f. October 01, 2018 subject to the approval of shareholders in the ensuing Annual General Meeting of the company. Except Mr. AvinashBajoria, spouse of Mrs. PreetanjaliBajoria, she is not related with any other director, key managerial personnel of the company. For details regarding the remuneration drawn by her, please refer to the corporate governance report.

- **Companies other than Rajasthan Cylinders And Containers Limited**
- **Mrs. PreetanjaliBajoria holds the directorship** **Kindled Hearts Developers Private Limited**
- **Membership /Chairmanship of committees of other public companies** **NIL**
- **No. Of shares held in the company** **1,49,900**
- **No. Of Board Meeting attended during the year in the company** **7**

Place : Jaipur  
Date: August 14, 2018

**Registered Office:**  
SP-825, Road No.14,  
VKI Area, Jaipur-302013.  
CINNo.L28101RJ1980PLC002140  
TEL: 91-141-2331771-2; FAX: 91-141-2330810  
E-mail:[info@bajoriagroup.in](mailto:info@bajoriagroup.in) ; Website: [www.bajoriagroup.in](http://www.bajoriagroup.in)

By order of the Board  
Sd/-  
(AvinashBajoria)  
Managing Director  
DIN No. : 01402573

## DIRECTORS' REPORT

**Dear Members,**

Your Directors are pleased to present this Thirty Eighth Annual Report together with the audited annual accounts of the company for the financial year ended March 31, 2018.

**1. Financial Performance**

The highlights of the financial position for the year as compared to the corresponding period in the previous year are given below:

Particulars	Standalone		Consolidated	
	FY 2017-18 (Rs. In Lacs)	FY 2016-17 (Rs. In Lacs)	FY 2017-18 (Rs. In Lacs)	FY 2016-17 (Rs. In Lacs)
Surplus/(Loss) before Depreciation (A)	41.39	168.32	41.39	168.32
Less: Depreciation (B)	(55.89)	45.77	(55.89)	45.77
Net Surplus/(Loss) from Operations (A-B)	(14.5)	122.55	(14.5)	122.55
Less : Adjustment for Income Tax	7.07	13.78	7.07	13.78
Less : Deferred Tax Liability	5.35	28.69	5.35	28.69
TOTAL	(26.92)	80.08	(26.92)	80.08
Other Equity	2,177.14	2,256.37	2,642.08	2,850.74

**2. Performance and Prospects for the current year**

Company's performance during the year 2017-18 was sub-due and its profit before depreciation and tax was lower to Rs. 41.39 lakhs as compare to Rs. 168.32 lakhs during previous year 2016-17. The main reasons for lower profit before depreciation and tax is due to under- utilization of capacity.

Company supply the Cylinders to the Government owned Oil Marketing Companies (OMCs) i.e. IOCL, BPCL and HPCL on the basis of tender floated by them. These OMCs determined the order quantities on the basis of past supply. During the year 2017-18 these OMCs floated the tender for supply of 540 lakhs cylinder with deviation in the past practice and reserved the 40% quantity for Eastern region and balance 60% quantity allotted to the remaining three regions i.e. north, south and west. On the basis of this tender condition the OMCs allocated this 60% quantity to the manufacturers of these three regions based on their past supply. This has resulted into lower order from OMCs during the year 2017-18.

During the year company was also expecting better flow of orders from OMC on account of the Central Government's PradhanMantriUjjwalaYojana (scheme) which aims to provide the free LPG connections to the women belonging to BPL (below poverty line) families in the country, but due to reservation of 40% supply from the eastern region company received less orders from OMCs. Another reason for lower production is that with the implementation of GST w.e.f. 01.07.2017 the Oil Marketing Companies (OMCs) took very long time in finalization of procedure for supply of cylinders and valves by the manufacturer to their various filling stations in India. This has not only affected the pending supplies against the orders received prior to implementation of GST but it causes the delay in release of fresh orders for supply of cylinders and valves by OMCs.

The OMCs / Government have now withdrawn this supply restriction in the tender and placing the orders as per the earlier procedure. Company expect that the order position in current Financial Year i.e. 2018-19 will improve.

In case of Valve the Company is operating at optimum level. However due to lower orders of the Cylinders to the units located in north and west regions the demand of the Valve was also lower from secondary market. Due to political conditions the flow of orders for valves from Nepal also dried up during the year. During the year company has not manufactured any Regulator due to non-viability. However, it has option to manufacture in future once the demand for same improve and company get the better price realization.

**3. Operations:**

**Production and Sales:** During the year the production of Cylinders and Valves were 2,28,709 Nos. and 34,78,481 Nos. as compared to the production of 3,99,541Nos..and49,99,261Nos..respectively during the previous year. There was no production of regulators during this financial year. Gross Sales during the year was recorded as Rs. 5,816.18 lacs as against Rs. 8,625.77 lacs in the previous year.

**4. Dividend:**

In order to preserve the funds for further diversification, the Board of Directors of the Company has decided not to recommend payment of dividend for the financial year 2017-18.

**5. Transfer to Reserve**

The entire net profit of the Company for FY 2017- 18 is retained as surplus. The Company has not proposed to transfer any amount to any reserve.

**6. Share Capital**

The paid up equity share capital of the company as on March 31, 2018 was Rs. 3,36,15,950/- .During the year under review, the authorised and paid – up share capital of the Company remain unchanged. The Company has not issued shares with differential voting rights neither granted stock options nor sweat equity shares during the year.

**7. Board of Directors & Key Managerial Personnel**

In accordance with the provisions of Companies Act, 2013 including amendments, if any, and the Articles of Association of the Company, Mrs. Preetanjali Bajoria, Whole Time Director of the company whose term expires on September 30, 2018, is proposed to be re-appointed on the Board of Directors of the company for the further period of 3 years w.e.f. October 01, 2018. Further, Mrs. Preetanjali Bajoria is liable to retire by rotation.

During the year under review, the shareholders at the 37<sup>th</sup> Annual General Meeting of the company held on September 29, 2017 approved the regularization of Mr. Ravi Modi (DIN:-07902162) as an Independent Director of the company for the period of five years i.e. upto August 09, 2022.

Further, in the Board Meeting held on May 30, 2018, Mr. Ravi Modi resigned from the Board of Directors of the company w.e.f. May 28, 2018 due to some personal reasons.

During the year, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the company, Mr. Rafat Ali and Mr. Amit Vashishath were appointed as Additional Directors of the company w.e.f. August 14, 2018 under the category of Non-Executive Independent Director and they will hold office upto the date of ensuing Annual General Meeting.

In terms of Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for five consecutive years on the Board of Directors of your company and are not liable to retire by rotation. Accordingly, the Nomination and Remuneration Committee recommended the appointment of Mr. Rafat Ali and Mr. Amit Vashishath as Independent Directors of the company for five consecutive years with effect from August 14, 2018 to August 13, 2023, not liable to retire by rotation.

The declaration has been received by Mr. Rafat Ali and Mr. Amit Vashishath that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Rafat Ali and Mr. Amit Vashishath fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the company and are independent of the management.

The company has received notices under Section 160 of Companies Act, 2013 proposing the appointment of Mr. Rafat Ali and Mr. Amit Vashishath.

Appropriate resolutions for the appointment/ re-appointment of Directors are being placed before the members for approval at the ensuing Annual General Meeting. The brief resume of the aforesaid Directors and other information have been detailed in the Notice.

During the year under review, there is no change in the Key Managerial Personnel of the company. The following persons act as the Key Managerial Personnel of the company pursuant to Section 2(51) and Section 203 of the Act, read with rules framed there under :-

1. Mr. Avinash Bajoria, Managing Director,
2. Mrs. Preetanjali Bajoria, Whole Time Director,
3. Ms. Anisha Jain, Company Secretary,
4. Mr. Suresh Kumar Jain, Chief Financial Officer

**8. Statutory Auditor**

M/s S.S. Surana & Co., Chartered Accountants, were appointed as Statutory Auditors of your Company at the 34<sup>th</sup> Annual General Meeting to hold office till the conclusion of 40<sup>th</sup> Annual General Meeting to be held in the year 2020. Further as per the provisions of Section 40 of Companies (Amendment) Act, 2017,

proviso of Section 139 (1) of Companies Act, 2013 which states that the appointment of Statutory Auditors of the company shall be placed for ratification by the members at every Annual General Meeting have been omitted w.e.f. May 7, 2018. Accordingly, the ordinary resolution for ratification of appointment of statutory auditor has not been proposed in the ensuing Annual General Meeting of the company. However, the Company has received aneligible certificate from the auditors in accordance with the provisions of Section 141 of the Companies Act, 2013 for the financial year 2018-19.

**9. Secretarial Auditor**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Mayur Sanghi , a Practising company Secretary to undertake the Secretarial Audit of the company. The report of the Secretarial Audit in Form MR 3 for the financial year ended March 31, 2018 is annexed herewith as Annexure VIto this Directors’ report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**10. Director’s Comment on Auditors Qualification in Auditors Report**

The observations in the Auditor’s report have been dealt with by making relevant notes in the Accounts and following comments /clarifications are given below:-

In the opinion of management, the loans given to M/S Ankur Drugs and Pharma Limited is good and recoverable as the Company has filed its claim with Official Liquidator.

**11. Corporate Governance**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the corporate governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under the SEBI Listing Regulations, 2015 forms an integral part of this Annual Report. Further, as required by Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors’ certificate on corporate governance is enclosed as Annexure V to this Directors’ Report.

**12. Management Discussion and Analysis Report**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

**13. Listing of Equity Shares**

The equity shares of the company are listed with BSE Ltd. The requisite annual listing fee has been paid to the Stock Exchanges.

**14. Fixed Deposits**

Your company has not accepted any deposits from the public in the year under review. Therefore, it is not required to furnish information in respect of outstanding deposits under Non-banking, Non financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

**15. Consolidated Financial Statements**

The consolidated financial statements of the company for the financial year ended March 31, 2018 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The consolidated financial statements have been prepared on the basis of audited financial statements of the company, its associate companies, as approved by their respective Board of Directors.

Further, In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2017. These financial statements comprising of Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**16. Committees of the Board**

Currently there are three Board Committees, namely –

- **Audit Committee :-**  
The Audit Committee comprises Mr.RaghunandanJalan (Chairman) and Mr.Pratap Kumar Mondal (Member)as other member. All the recommendations made by the Audit Committee were accepted by the Board.
- **Nomination And Remuneration Committee**  
The Nomination and Remuneration Committee comprises Mr.Pratap Kumar Mondal (Chairman) and Mr.RaghunandanJalan (Member)as other member.
- **Stakeholders’ Relationship Committee**  
The Stakeholders’ Relationship Committee comprises Mr.Pratap Kumar Mondal (Chairman) and Mr.RaghunandanJalan (Member) as other member.

**17. Number of meetings of the Board**

The Board met seven times during the financial year 2017-18, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the meetings was within the time period prescribed under the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time.

**18. Declaration by Independent Directors**

The company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that he/she meets the criterion of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**19. Policy on Directors’ Appointment and Remuneration**

The policy of the company on Directors’ appointment and remuneration, including criterion for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub – section (3) of Section 178 of Companies Act, 2013 is available on our website [www.bajoriagroup.in](http://www.bajoriagroup.in) and further pursuant to Section 178 (4)(c) of Companies (Amendment) Act, 2017, salient features of the said policy is annexed as Annexure IVto the Directors’ Report.

**20. Re-appointment of Directors**

As per the provisions of Section 152 of Companies Act, 2013, every company shall have at least 2/3<sup>rd</sup> rotational directors of the total number of Directors of the company for the time being in force. However, this section further provides that Independent Directors shall not be liable to retire by rotation and shall not be included in total number of director for this purpose. At present, your company does not have such directors who shall retire by rotation at annual general meeting. However, in order to comply with the provisions of Companies Act, 2013, your company is in the process to induct few more directors who shall be liable to retire by rotation.

**21. Particulars of loans, guarantees or investments**

Details of loans, guarantees and investments made during the financial year 2017-18 under Section 186 of Companies Act, 2013 are as follows :-

Name of Entity	Relation	Amount (Rs.)	Particulars of loans, guarantees and investments	Purpose for which the loans, guarantees and investments are proposed to be utilised
GaneshKripa Land Developers Pvt Ltd.	Group Company	20,00,000	Loan	Business purpose
Protect VanijyaPvt. Ltd.	Group Company	30,00,000	Loan	Business Purpose
Beetle tie –up Pvt. Ltd.	Associate	2,00,000	Investment in Equity	Business purpose

**22. 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 an arms’ 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. Accordingly, the disclosure of Related Party Transactions as required under Section 134 (3) (h) of the Companies Act, 2013 in Form AOC -2 is not applicable.

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 [www.bajoriagroup.in](http://www.bajoriagroup.in).

**23. Directors' Responsibility Statement**

Pursuant to the requirements under section 134 (3) (c) of the Companies Act, 2013 with respect to Directors Responsibility Statement, your Directors hereby confirmed that:

- (i) In the preparation of the Annual Accounts for the Financial Year ended 31st March, 2018 the applicable accounting standards have been followed with proper explanation relating to material departures.
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit of the Company for the year under review.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the accounts for the financial year ended 31st March, 2018 on a going concern basis.
- (v) The Directors have laid down internal financial controls, which are adequate and are operating effectively.
- (vi) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**24. Details of frauds reports by auditors**

As specified under Section 143 (12) of Companies (Amendment) Act, 2017 including any statutory amendments or modifications, if any, the auditor of the company has not reported any fraud in the course of the performance of his duties as auditor.

**25. Subsidiaries, Associates & Joint Venture**

The company does not have any subsidiary or joint venture companies. However, the company have Three (3) Associate Companies as on March 31, 2018 –

- Agribiotech Industries Limited (ABIL):- The Company holds 34.89% of Equity Shares of Agribiotech Industries Limited. The Loss after tax for the year ended March 31, 2018 was Rs. 376.48 lakhs as against Rs. 48.30 lakhs for the year ended March 31, 2017. The negative contribution of ABIL to the overall performance of the company during the period 2017-18 is Rs. 131.35 lakhs
- Shipra Towers Private Limited (STPL):- The Company holds 49.80 % of Equity Shares of Shipra Towers Private Limited. The Loss after tax for the year ended March 31, 2018 was Rs. 0.80 lakhs as against Rs. 3.05 lakhs for the year ended March 31, 2017. The contribution of STPL to the overall performance of the company during the period 2017-18 is Rs. NIL.
- Beetle Tie – Up Private Limited (BTPL):- The Company holds 23.3% of Equity Shares of Beetle Tie-Up Private Limited. The Loss t after tax for the year ended March 31, 2018 was Rs.0. 15 lakhs as against Profit of Rs.0.29 lakhs for the year ended March 31, 2017. The negative contribution of BTPL to the overall performance of the company during the period 2017-18 is Rs. 1.41lakhs.

In accordance with Section 129 (3) of the Act, the consolidated financial statements of the company which forms part of this Annual Report have been prepared. Further, a statement containing the salient features of the financial statements of each of our associate company in the prescribed format AOC-1 is appended as Annexure I to the Board's report.

**26. Board Evaluation:-**

Regulation 4 and 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board Evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of the committees and individual director. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the independent director being evaluated.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

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

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

**27. Vigil Mechanism /Whistle Blower Policy**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. In view of this and in compliance with the applicable provisions of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the company has established a vigil (Whistle Blower) mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of company's code of conduct or ethics policy. The Whistle Blower shall also have right to access to the Chairman of the Audit Committee directly in exceptional cases. The Policy on vigil mechanism/whistle blower policy may be assessed on the Company's website at the link:[www.bajoriagroup.in/PdfFile/Policies/Whistle%20Blower%20Policy.pdf](http://www.bajoriagroup.in/PdfFile/Policies/Whistle%20Blower%20Policy.pdf)

**28. Familiarisation Programme for Independent Directors**

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has put in place a familiarisation programme for Independent Directors as a guide for Independent Directors wherein the familiarisation process to familiarise the Independent Directors with the company has been provided as and when required. The same is available on the website of the company [www.bajoriagroup.in](http://www.bajoriagroup.in) and can be accessed by web link

[www.bajoriagroup.in/PdfFile/Policies/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf](http://www.bajoriagroup.in/PdfFile/Policies/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf). Further, at the time of appointment of Independent Director, the company issues a formal letter of appointment outlining his/her duties etc.

**29. SEBI (Prohibition of Insider Trading) Regulations, 2015**

In consonance with the provisions of Regulation 8 (Code of Fair Disclosure) and Regulation 9 (Code of Conduct) of the SEBI (Prohibition of Insider Trading), Regulations, 2015, the "Code of Practices and Procedures for fair disclosure of unpublished price sensitive information" and "Code of conduct for regulating, monitoring and reporting of trading by insiders" are in its place.

**30. Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendment thereof is enclosed as Annexure III to the Directors' Report.

The company currently does not provide any Employee Stock Option Scheme/Employee Stock Purchase Scheme to its employees.

**31. Risk Management Policy**

In compliance with the applicable provisions of Companies Act, 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed and adopted the Risk Management Policy of the company in order to ensure that the Company's affairs shall be carried out in a sound and prudent manner by managing its business, operating and financial risk by adopting appropriate risk identification, assessment, control and mitigation measures.

**32. Internal Control System**

The Company has adequate internal control system to safeguard the company's assets from any loss or damage, to control cost, prevent revenue loss and required financial and accounting controls and to effectively implement the applicable accounting standards.

**33. Extract of Annual Return**

In accordance with Section 134 (3) (a) of Companies Act, 2013, the annual return of the company as referred in Section 92 (3) has been placed on the website of the company i.e. www. bajoriagroup.in.

**34. Conservation of Energy, Technology Absorption and Foreign Expenditure**

The particulars as prescribed under Sub – Section 3 (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are enclosed as Annexure II to this Directors' Report.

**35. 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.

**36. Material Changes and Commitments, affecting the financial position of the company between the end of financial year and the date of this report**

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

**37. Significant and Material Orders Passed by the Regulators or Courts**

There are no significant or material orders passed by Regulators or courts which would impact the going concern status of the company and its future operations.

**38. Human Resources:**

The company have strong, motivated and dedicated team of employees who is working continuously with great zeal and enthusiasm towards the growth of the company and hence, as a token of gratitude the Directors wish to express their sincere appreciation to all the employees for their support, co-operation and dedicated services.

**39. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The company has in place an Anti -Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainee) are covered under the policy.

During the year under review, no complaints were received falling under the category of Sexual Harassment of Women. The company has complied with provisions relating to the constitution of Internal Complaints Committee as required under the said act.

**40. Green Initiative for Paperless Communication**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circular stating that service of notice/documents including Annual Report can be sent by e-mail to its members. The move of the Ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme, the company will continue to send various communications and documents like, notice calling general meetings, audited financial statements, director's report, auditor's report etc. in electronic form, to the email address provided by the members to the Depositories or to the company.

To support this green initiative in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to fill in the Registration form which can be obtained from Company's Registrar Beetal Financial & Computer Services Pvt. Ltd.

**41. Maintenance of Cost Records :-**

As per the provisions of Section 148 (1) of Companies Act, 2013, the Central Government has prescribed maintenance of the cost records in respect to the company's products. Hence, in compliance of the said provisions, the company has made and maintained the cost accounts and records of the company.

**42. Environmental Stewardship:-**

Environmental stewardship refers to responsible use and protection of the natural environment through conservation and sustainable practices. To make the system more environments friendly your company has planted and taking care of at least 3000 trees/plants of different species both fruit/non-fruit bearing plants planted in its factory premises.

**Acknowledgements**

The Board of Directors expresses their gratitude and its appreciation to the continued cooperation and support of Company's Banker, Government Departments & Other Agencies. The Board also records its deep appreciation of the creditable services rendered by the Company's employees at all levels.

**For & on behalf of the Board of Directors**

Sd/-  
**(Avinash Bajoria)**  
Managing Director  
DIN No. 01402573

Sd/-  
**(Preetanjali Bajoria)**  
Whole - Time Director  
DIN No. 01102192

Date: 14.08.2018  
Place: Jaipur

**Annexure I**

**Statement containing the salient features of the financial statements of subsidiaries/associate companies and joint ventures**

**[Pursuant to first proviso to sub – section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]**

Part "A" Subsidiaries: Not Applicable (The Company does not have any subsidiary)

Part "B" Associates and Joint Ventures:

Name of Associates/Joint Ventures	Agribiotech Industries Limited (Associate)	Shipra Towers Private Limited (Associate)	Beetle Tie-up Private Limited (Associate)
1. Latest Audited Balance Sheet date	March 31, 2018	March 31, 2018	March 31, 2018
2. Date on which the Associate/Joint Venture was associated or acquired	19/05/2006 : 23.30% 28/03/2009 : 25.93%	31/03/2005	17/12/2007
3. Shares of Associate/Joint Ventures held by the company on the year end			
No.	53,16,500	4,980	23,300
Amount of Investment in Associates/Joint Venture (Rs.)	5,31,65,000	49,800	2,33,000 *
Extend of Holding %	34.89%	49.80%	23.3%
4. Description of how there is significant influence	Due to % of share capital	Due to % of share capital	Due to % of share capital
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.
6. Net Worth attributable to Shareholding as per Latest Audited Balance Sheet	Rs. 998.83 lakhs	-	Rs. 0.59 Lakhs
7. Profit /(Loss) for the year			
i. Considered in Consolidation	Rs. (131.35) lakhs	-	Rs. (1.41) lakhs
ii. Not Considered in Consolidation	-	-	-

\*During the year under review, the Company has made further investment of Rs. 2,00,000/- in equity on April 4, 2017. Hence the amount of investment has increased from Rs. 33,000/- to Rs. 2,33,000/-.

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

Sd/-  
**(Avinash Bajoria)**  
Managing Director  
DIN No. 01402573

Sd/-  
**(Preetanjali Bajoria)**  
Whole Time Director  
DIN No. 01102192

Date: 14.08.2018  
Place: Jaipur

Sd/-  
**(Anisha Jain)**  
Company Secretary

Sd/-  
**(Suresh Jain)**  
CFO

Annexure II

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:

Disclosure of particulars with respect to conservation of Energy (to the extent applicable.)

	Current Year 2017-18	Previous Year 2016-17
<b>a. Power &amp; Fuel Consumption</b>		
<b>1. Electricity:</b>		
a) Purchased:		
Units	1,564,018	21,75,189
Total Amount (Lacs)	139.39	178.20
Rate/Unit	8.91	8.19
b) Own Generation:		
Through Diesel Generator	A very small amount of electric power is generated through D.G.Set installed for the purpose of Emergency power supply whenever there is power cut from JVVNL to sustain the running plant.	
b. Consumption per Unit of production of LPG Cylinder	3.52	3.20

**b. Technology Absorption:**

The Company has not undertaken Research and Development (R&D) on Technology, Absorption, Adaptation and Innovation during the year.

**C. Foreign Exchange Earnings and Outgoing:**

1) Earned (Rs/Lacs)	--	---
2) Used (Rs./Lacs)	21.22	21.33

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

Sd/-	Sd/-
<b>(Avinash Bajoria)</b>	<b>(Preetanjali Bajoria)</b>
Managing Director	Whole Time Director
DIN No. 01402573	DIN No. 01102192
Sd/-	Sd/-
<b>(Anisha Jain)</b>	<b>(Suresh Jain)</b>
Company Secretary	CFO

Date: 14.08.2018  
Place: Jaipur

Annexure III

Details Pertaining to Remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rule 5 (1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of Remuneration of each Director to the median remuneration of the employees of the company for the financial year 2017-18, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2017-18 :

S.No.	Name of Director/KMP and Designation	Ratio of Remuneration of each Director and key managerial personnel to median remuneration of employees	% increase in Remuneration in the financial year 2017-18
1.	Avinash Bajoria (Managing Director)	14.30:1	22.12%
2.	Preetanjali Bajoria (Whole Time Director)	2.91:1	-
3.	Raghunandan Jalan (Independent Director)	-	-
4.	Pratap Kumar Mondal (Independent Director)	-	-
5.	Ravi Modi (Independent Director)	-	-
6.	Anisha Jain (Company Secretary)*	0.48:1	-35.15%
7.	Suresh Kumar Jain (Chief Financial Officer)	3.59:1	4.18%

\*The remuneration of Ms. Anisha Jain, Company Secretary has decreased during the year as she was on leave without pay due to some personal reasons. Hence, the aforementioned calculation is made on the basis of Remuneration paid during the year 2017-18.

(ii) The median remuneration of employees of the Company during the financial year was Rs.3,35,035/-.

(iii) In the financial year, there was decrease of 4.72% in the median remuneration of the employees.

(iv) There were 32 permanent employees on the rolls of the Company as on March 31, 2018.

(v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 9.72% whereas the increase in the managerial remuneration for the same financial year was 14.34%.

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(vii) Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 & Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees are drawing remuneration in excess of limits set out in the rules. However, as required by the amended rules, the list of top 10 employees of the company in terms of remuneration drawn are as follows :-

Particulars	Name of top 10 employees in terms of Remuneration drawn									
	Avinash Bajoria	Preetanjali Bajoria	Suresh Jain	Jitendra Sharma	K.C.Singh	Meena Dosi	R.C. Shukla	Chandan Mal Jangir	Babula Jat	H.N.Dwivedi
Designation of the employee	Managing Director	Whole Time Director	CFO	G.M.Works	DGM Production	Excise Officer	Manager Production	Foremen	Manager Production	Asst. Manager Store
Remuneration Received	47,89,600	9,75,000	12,03,450	11,78,668	8,65,351	8,15,500	4,94,952	4,22,633	4,66,684	4,69,834
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
Qualifications & Experience	B.Com. 25 years	B.A. 22 years	B.Com 30 years	B.E. 21 years	B.A. 38 years	B.A. 23 years	B.A. 32 years	8 <sup>th</sup> 42 years	Diploma in Mechanical 21 years	M.A. 38 years
Date of commencement of employment	01.11.2008	01.10.2015	15.06.2009	23.04.2013	01.01.2011	17.08.2012	05.08.1986	22.12.1999	11.08.1997	01.09.1983
Age	24.12.1970	25.12.1973	01.07.1961	07.10.1973	13.12.1960	01.07.1974	01.02.1966	26.07.1955	23.05.1970	05.06.1952
Last employment held by an employee before joining the company	Self Employed	Self Employed	Greenply Industries Limited	Nirmal Glass Tech Industries	Punjab Gas Cylinders	Self Employed	Ist Job in RCCL	Garima Casting	Ist. Job in RCCL	Shankar Engineering Works
% of equity shares held by employee on 31.03.2018	12.5837%	4.4592%	NIL	NIL	0.0268%	NIL	0.0134%	NIL	NIL	0.0134%



Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Spouse of Whole Time Director	Spouse of Managing Director	NA	NA	NA	NA	NA	NA	NA	NA
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**For and on behalf of Board of Directors**

Sd/-  
**(Avinash Bajoria)**  
Managing Director  
DIN No. 01402573

Sd/-  
**(Preetanjali Bajoria)**  
Whole Time Director  
DIN No. 01102192

Sd/-  
**(Anisha Jain)**  
Company Secretary

Sd/-  
**(Suresh Jain)**  
CFO

Date: 14.08.2018

Place: Jaipur

**Annexure IV**

**NOMINATION AND REMUNERATION POLICY**

**PREAMBLE**

Section 178 of the Companies Act, 2013 and Part A of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the Nomination and Remuneration Committee of the Board of Directors of every listed company, among other prescribed class of companies, to

- Formulate the criterion for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to remuneration for directors, key managerial personnel and other employees.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criterion laid down, recommend to the Board their appointment and removal
- Carry out evaluation of every director's performance
- Formulate the criterion for evaluation of independent directors and the Board

Accordingly, to comply with the aforesaid requirements, the Board of Directors of Rajasthan Cylinders And Containers Ltd has approved and formulated the Nomination and Remuneration policy as per the recommendation made by the Nomination and Remuneration Committee of Directors of the Company. This policy shall be effective from December 1, 2015.

The Policy of the company is designed to attract, retain and motivate the Senior Management Personnel including its key managerial personnel ("KMP") and Board of the company. The policy ensures that –

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) Remunerations to directors, KMPs and senior 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 goals.

This Policy shall replace the previous Nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee to the Board of Directors.

**DEFINITIONS**

1. "Act" means the Companies Act, 2013 and the rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the company.
3. "Committee" means Nomination and Remuneration Committee of the company as constituted or reconstituted by the Board.
4. "Company" means Rajasthan Cylinders And Containers Ltd
5. "Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Words and expressions used in this Policy but not defined shall have the meaning as given in Companies Act, 2013 read with rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

**APPLICABILITY**

The policy is applicable to:

1. Directors (Executive and Non – Executive)
2. Key Managerial Personnel
3. Senior Management Personnel & Other Employees

**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL (SMP)**

**i. Appointment criterion and qualifications :**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience for the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by the person is sufficient/satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.
4. Appointment of independent directors shall be subject to compliance of provisions of Section 149 of Companies Act, 2013, read with Schedule IV and rules made thereunder.

**ii. Term / Tenure :**

1. **Managing Director / Whole Time Director :**  
The company shall appoint or re-appoint any person as its Managing Director or Executive Director for the term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.
2. **Independent Director :**
  - a. An independent director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of special resolution by the Company and disclosure of such appointment in the Board's report.
  - b. No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after expiry of three years of ceasing to become an independent director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.
3. **Evaluation :**  
The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly) or at such intervals as may be considered necessary.
4. **Removal :**



Due to reasons for any disqualification mentioned in Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to provisions and compliance of the said act, rules and regulations.

5. Retirement :

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefits of the Company.

**POLICY RELATING TO THE REMUNERATION FOR THE WHOLE – TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL (SMP)**

**(a) GENERAL**

1. Increments to the existing remuneration may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders, wherever applicable in case of Whole – Time Directors / Managing Director.
2. Where any insurance is taken by the company for its Directors, KMPs and SMPs for protecting them against any liability, the premium paid on such insurance shall not be treated as part of remuneration payable to such persons. Provided that if such person is provided to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**(b) REMUNERATION TO THE WHOLE-TIME / EXECUTIVE/ MANAGING DIRECTOR :**

1. FIXED PAY :

The remuneration of Whole – Time / Executive/Managing Director is recommended by the Nomination and Remuneration Committee and subsequently, the Board approves the same and wherever necessary forwards the same for the approval of the shareholders in the General Meeting of the company. The remuneration shall include salary, allowances, perquisites and Company's contribution to Provident Fund, as the case may be, in accordance with the Company's policy as amended from time to time and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

2. MINIMUM REMUNERATION :

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole Time Director/Managing Director, the same remuneration as approved by the shareholders in the general meeting in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of Central Government.

3. PROVISIONS FOR EXCESS REMUNERATION :

If any Managing/Whole – Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under Companies Act, 2013 or without the prior sanction of the Central Government, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold the same in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by Central Government.

4. OTHER CONDITIONS :

1. The Executive Directors including Managing Director shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the company.
2. The Executive Directors including Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.

**REMUNERATION OF NON – EXECUTIVE DIRECTORS/INDEPENDENT DIRECTORS**

1. The Non-Executive Directors/Independent Directors of the company may receive remuneration by way of sitting fees for attending the meeting of the Board of Directors or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 and rules framed or such amount as may be prescribed by the Central Government.

2. The Non – Executive Directors of the company are not entitled for any Employee Stock Options Scheme (ESOS), Bonus pay or any other similar plans.

**REMUNERATION OF KEY MANAGERIAL PERSONNEL (EXCLUDING EXECUTIVE DIRECTORS AND MANAGING DIRECTORS) AND SENIOR MANAGERIAL PERSONNEL (“SMP”)**

The Board believes that a combination of fixed and variable pays to the KMP and SMP ensure that company can attract and retain best talents. The Key Managerial Personnel (Excluding Executive Director and Managing Director) and SMP shall be paid monthly remuneration as per the Company's policies and/or as may be approved by the Board on the recommendation of Committee. The remuneration of KMP and SMP mainly comprises basic salary, allowances, perquisites, variable/incentives pay linked to performance, reimbursement of expenses and retirement benefits etc. Allowance, perquisites, bonus, variable/incentives pay and retirement benefits are paid according to the Company policy, subject to the prescribed statutory ceiling under various statutes.

**REMUNERATION OF OTHER EMPLOYEES**

Apart from Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The remuneration of other employees mainly comprises basic salary and in addition to basic salary, they are also provided allowances, perquisites etc. as per the Company's policy and statutory requirements, where applicable.

**AMENDMENT**

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when it deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

**Annexure V**

**Independent Auditors' Certificate on Corporate Governance**

To the Members of  
**Rajasthan Cylinders And Containers Ltd**  
Jaipur

We have examined the compliance of conditions of Corporate Governance by Rajasthan Cylinders And Containers Ltd (“the Company”), for the year ended on 31 March 2018, as per regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

**Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the management of company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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

**For S.S.SURANA & CO.**  
Chartered Accountants  
(FRN 001079C)  
Sd/-  
**(Prahald Gupta)**  
Partner  
Membership NO. 074458

Place: Jaipur  
Date: 30.05.2018

**Annexure VI**

**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For The Financial Year Ended On 31st March, 2018**  
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
Rajasthan Cylinders and Containers Ltd  
SP-825 ROAD NO 14 V.K.I AREA, JAIPUR-13(RAJ)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajasthan Cylinders and Containers 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Rajasthan Cylinders and Containers Ltd for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. 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;
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ SEBI (Share Based Employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during Audit Period)**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period) &**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during Audit Period)**

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

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

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above **except for the following:**

**In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made except for the following:**

S.No.	Name of the Entity	Relation	Maximum Amount Outstanding during the year (')	Amount Outstanding as at Balance Sheet Date (')	Non-Compliance
1.	Shipra Towers P. Ltd.	Common Directorship	2,821,581	NIL	Non Compliance of Section 185 of the Companies Act, 2013

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company;

1. Factories Act, 1948
2. Payment of Wages Act, 1936, and rules made there under,
3. The Minimum Wages Act, 1948, and rules made there under,
4. Employees' State Insurance Act, 1948, and rules made there under,
5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under

6. The Payment of Bonus Act, 1965, and rules made there under,
7. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
8. The Air (Prevention and Control of Pollution) Act, 1981
9. Explosives Act, 1884, and rules made there under,
10. Central Excise Act, 1944 and rules made there under.

I further report that, during the year under review:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

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

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

**For MayurSanghi & Associates**  
**Company Secretaries**

Sd/-

**MayurSanghi**  
**Proprietor**

M.No.: ACS 31712

C. P. No.: 11648

Jaipur  
30<sup>th</sup> May, 2018

**(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.)**

**'ANNEXURE A'**

To,

The Members,

**Rajasthan Cylinders and Containers Ltd.**

SP 825, Road No. 14, VKIA, Jaipur-302013

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

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

**For MayurSanghi & Associates**  
**Company Secretaries**

Sd/-

**MayurSanghi**  
**Proprietor**

M.No.: ACS 31712

C. P. No.: 11648

Jaipur  
30<sup>th</sup> May, 2018

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management presents its analysis report covering performance and outlook of the Company. The report has been prepared in compliance with corporate governance requirements as laid down in the listing agreement. The management accepts responsibility for the integrity and objectivity of the financial statement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

**1. INDUSTRY STRUCTURE AND DEVELOPMENT**

During the year 2017-18 the working of the Company was sub-due mainly due to lower orders from the Oil Marketing Companies (OMCs) and it had loss after depreciation. The implementation of GST by the Government during the year has also affected the supply to OMCs due to delay in finalization of procedure of supply by them. The conditions put up by the OMCs in the tender floated last year had also resulted into lower order.

**2. OPPORTUNITIES AND THREATS**

The Company's manufacturing unit is situated at Jaipur.

Company is expecting good orders in the second half of current financial year Under PradhanMantriUjjwalaYojana (scheme) of the Central Government which was launched on May 1, 2016 and which aims to provide free LPG connections to the women belonging to BPL ( below poverty line) families in the country.

However, the technology up-gradation and propose use of alternate material for LPG cylinders alongwith supply of LPG through pipelines are the challenges to the Cylinder's manufacturer. The location disadvantage of the manufacturing unit at Jaipur result into increased freight component on HR Coils also having a bigger challenge for the Company. Further delay in implementation of GST is affecting the Net realization price of Companies end products.

**3. PERFORMANCE**

The Performance of the company during the year is as under: -

(Rs. /Lakhs)

PARTICULARS	2017-18	2016-17
PBDAl	41.39	310.55
PAD	(14.5)	122.55
PAT	(26.92)	80.08

**4. OUTLOOK**

The Governemnt / OMCs has withdrawn the condition as stipulated in the tender floated during the year 2017-18 and now orders are placed by the OMCs based on the earlier practice adopted. Accordingly there is improvement in flow of orders from OMCs from June 2018. The Management is expecting that Central Government's policy to provide LPG connection in rural areas under PradhanMantriUjjwalaYojana (scheme) and also forthcoming elections will result into regular flow of order. The increase in input cost is putting the pressure on the company to quote competitive rates to match the prices of other cylinder manufacturer who are having the location advantage.

**5. INTERNAL CONTROL SYSTEM**

The Company has adequate internal control system to safeguard the company's assets from any loss or damage, to control cost, prevent revenue loss and required financial and accounting controls and to effectively implement the applicable accounting standards.

**6. RISKS AND CONCERNS**

The management continues to monitor the risks concerning the company and take actions as appropriate to the situation.

**7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

As on March 31, 2018 the company had 32 permanent employees at its manufacturing plants and administrative office.

We believe that people are the most valuable assets of the company as they contribute significantly to the achievement of business objectives. During the year, various HR measures were taken to make the HR policies up to the required business needs. The Company has strong and dedicated team of employees and they have shown commitment, competence and dedication in all area of business.

**8. CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis Report describing the Company's objectives, estimates etc. may be "forward Looking Statement" within the applicable laws and regulations. Actual results may vary from these expressed or implied; several factors that may affect Company's operations include Raw Material prices, Government Policies and several other factors. The Company takes no responsibility for any consequences of the decision made, based on such statement and holds no obligation to update these in future.

**CORPORATE GOVERNANCE REPORT**

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. Good Corporate practices ensure that Company meets its obligation to optimize shareholders value and compliance with the regulation leading to effective central and management of organization. It is our constant endeavour to ensure excellent performance, good returns for our investors, create job opportunities and high quality products. Hence, the provisions of the Corporate Governance code prescribed by the Companies Act and the listing Agreement have been complied with.

**2. BOARD OF DIRECTORS**

**• Composition of Board of Directors**

The Company's policy is to maintain optimum combination of Executive and Non – Executive Directors. The composition of Board is in conformity with Regulation 17 of SEBI Listing Regulations read with Section 149 of the Act. The details of composition and category of Directors as on March 31, 2018 are as follows:

CATEGORY	NAME OF DIRECTORS
Executive Director	
<ul style="list-style-type: none"> <li>Managing Director/Promoter Director</li> <li>Whole Time Director/Promoter Director</li> </ul>	Mr.AvinashBajoria Mrs.PreetanjaliBajoria
Non-Executive Director	
<ul style="list-style-type: none"> <li>Independent Directors</li> </ul>	1. Mr.RagunandanJalan 2. Mr.Pratap Kumar Mondal 3. Mr. Ravi Modi*

- Mrs.PreetanjaliBajoria is the spouse of Mr.AvinashBajoria. None of the other Directors are related to any other Director on the board.
- Mr. Ravi Modi has been appointed as an Additional Director of the company w.e.f. August 10, 2017. Further, in 37<sup>th</sup> AGM of the company which was held on September 29, 2017, he was regularised as an Independent Director of the company for the period of 5 years i.e. up to August 9, 2022. Further, in the Board Meeting held on May 30, 2018, Mr. Ravi Modi, Independent Director of the company resigned from the Board of Directors of the company w.e.f. May 28, 2018 due to some personal reasons.
- The Board of Directors in its meeting held on August 14, 2018 appointed Mr. Rafat Ali and Mr.AmitVashishatha as Additional Director under the category of Non – Executive Independent Director w.e.f. August 14, 2018 who shall hold office upto the ensuing Annual General Meeting.
- Except Mr. Pratap Kumar Mondal who holds 4250 shares in the company, none of the other Non-Executive Directors of the company holds any of the shares and convertible instruments in the company.
- Board Meetings and Attendance :**

During the year ended March 31, 2018, seven Board Meetings were held on 30.05.2017, 10.08.2017, 13.11.2017, 20.11.2017, 27.11.2017, 09.02.2018, 14.03.2018. The necessary quorum was present in all meetings.

None of the Directors on the Board holds Directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director.

The following table provides the attendance record at the Board Meeting, last Annual General Meeting and the number of Directorships, Memberships and Chairmanships in other public limited companies:

Name of the Director	No. of Board Meetings held and attended during tenure(1)							Attendance at last Annual General Meeting	No. of Directorships in other Companies as on March 31, 2018 (excluding Rajasthan Cylinders And Containers Ltd) (2)	Committee Memberships as on March 31, 2018 <sup>(3)</sup>	
	1	2	3	4	5	6	7			No. of Membership in Committees	No. of Chairmanship in Committees
Mr.AvinashBajoria	P	P	P	P	P	P	P	Present	NIL	NIL	NIL
Mr.RagunandanJalan	P	P	P	P	P	P	P	Present	NIL	NIL	NIL
Mr .Pratap Kumar Mondal	P	P	P	P	P	P	P	Present	1	1	1
Mr. Ravi Modi*	-	-	P	P	P	P	P	Present	NIL	1	-
Mrs.PreetanjaliBajoria	P	P	P	P	P	P	P	Present	NIL	NIL	NIL

(1) P : Present ; A: Absent

(2) Excluding Private Limited Companies, Foreign Companies, Section 8 companies and Alternate Directorships.

(3) Includes only Audit and Shareholders Grievance Committee/Stakeholders' Relationship Committee in other public limited companies.

\* Mr. Ravi Modi , Independent Director of the company resigned from the Board of Directors of the company w.e.f. May 28, 2018.

- During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole. The familiarisation programme for independent directors can be accessed at the following web link :- [www.bajoriagroup.in/PdfFile/Polices/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf](http://www.bajoriagroup.in/PdfFile/Polices/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS.pdf)

- All the Directors were present physically in the aforesaid meetings.

- The terms and conditions of appointment of the Independent Directors are disclosed on the website of the company.

- Brief Resume of Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting.

**a) Mrs.PreetanjaliBajoria**

Mrs.PreetanjaliBajoria (DIN:-01102192) (Born on 25/12/1973) aged 44 years is the whole time director of the company. She was appointed as an Additional Director under the category of Non-Executive Promoter Director w.e.f. March 30, 2015. She is a graduate by qualification. After considering her long business experience and expertise in manufacturing industry, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved her re-appointment as whole time director of the company, liable to retire by rotation for the period of three (3) years w.e.f. October 01, 2018 subject to the approval of shareholders in the ensuing Annual General Meeting of the company. Except Mr. AvinashBajoria, spouse of Mrs.PreetanjaliBajoria, she is not related with any other director, key managerial personnel of the company. For details regarding the remuneration drawn by her, please refer to the corporate governance report.

• Companies other than Rajasthan Cylinders And Containers Limited	Kindled Hearts Developers
• Mrs. Preetanjali Bajoria holds the directorship	Private Limited
• Membership /Chairmanship of committees of other public companies	NIL
• No. Of shares held in the company	1,49,900
• No. Of Board Meeting attended during the year in the company	7

**b) Mr. Rafat Ali**

Mr. Rafat Ali (DIN:- 0008197811) (Born on 25/02/1980) aged 38 years is Non-Executive Independent Director of the company. He is appointed as an Additional Director under the category of Non-Executive Independent Director w.e.f. August 14, 2018. He is a graduate by qualification. After considering his vast knowledge and expertise in marketing field, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved his appointment as Non-Executive Independent Director of the company. Mr. Rafat Ali, is not related with any other director, key managerial personnel of the company. He is not liable to retire by rotation.

• Companies other than Rajasthan Cylinders And Containers Limited	None
• Mr. Rafat Ali holds the directorship	None
• Membership /Chairmanship of committees of other public companies	NIL
• No. Of shares held in the company	NIL
• No. Of Board Meeting attended during the year in the company	NIL

**c) Mr. AmitVashishatha**

Mr. AmitVashishatha (DIN:- 07190917) (Born on 24/10/1978) aged 39 years is Non-Executive Independent Director of the company. He is appointed as an Additional Director under the category of Non-Executive Independent Director w.e.f. August 14, 2018. He is a graduate in Bachelor of Arts (B.A.). After considering his vast knowledge and expertise in marketing field, the Nomination and Remuneration committee and the Board of the Directors of the company at their meeting held on August 10, 2018 and August 14, 2018 respectively, approved his appointment as Non-Executive Independent Director of the company. Mr. AmitVashishatha, is not related with any other director, key managerial personnel of the company. He is not liable to retire by rotation.

• Companies other than Rajasthan Cylinders And Containers Limited	None
• Mr. AmitVashishatha holds the directorship	None
• Membership /Chairmanship of committees of other public companies	NIL
• No. Of shares held in the company	NIL
• No. Of Board Meeting attended during the year in the company	NIL

**3. Committees of Board of Directors**

Currently, the Board has three committees i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee. The composition and other details of committees are in accordance with the provisions of Companies Act, 2013 including statutory amendments, if any and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 including statutory amendments, if any:

**a. Audit Committee**

**i) Terms of Reference :**

Powers of the Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee, inter alia, includes the following:

- 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;
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company;
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them;
- 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 Directors' 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 judgement by management;
  - d) Significant adjustments made in the financial statements arising out of the audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Qualification in draft audit report;
    - Reviewing with the management the quarterly financial statements before submission to the Board for approval;
    - Reviewing with the management the annual financial statements;
    - 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
    - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
    - 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;
    - Discussion with internal auditors for any significant findings and follow up thereon;
    - 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;
    - Discussion with the 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;
    - To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors;
    - To review the functioning of whistle blower mechanism;
    - Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate;
    - Review of the following information:
      - a) Management discussion and analysis of financial condition and result of operations;
      - b) Statement of significant related party transactions (as defined by audit committee), submitted by management;
      - c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
      - d) Internal audit reports relating to internal control weaknesses;
      - e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee

- Any other function as mentioned in Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**ii) Composition of the Committee**

Name of the Director	Designation
Mr.RaghunandanJalan	Chairman
Mr.Pratap Kumar Mondal	Member
Mr. Ravi Modi*	Member

\* Mr. Ravi Modi, Independent Director of the company resigned from the Board of Directors of the company w.e.f. May 28, 2018 due to some personal reasons. Further, Mr. AmitVashishatha, Additional Director of the company has been appointed as new member of the Audit committee w.e.f. August 14, 2018. Hence, now the Committee comprises :-

Name of the Director	Designation
Mr.RaghunandanJalan	Chairman
Mr.Pratap Kumar Mondal	Member
Mr. AmitVashishatha	Member

The Company Secretary acts as the Secretary to the Committee.

**iii) Meetings of Audit Committee held during the year and Directors' Attendance**

Four meetings of Audit Committee were held during the year – on 30.05.2017, 10.08.2017, 13.11.2017 and 09.02.2018 and the gap between two meetings did not exceed four months. The necessary quorum was present in all the meetings. The attendance details of the committee meetings are as follows:-

Name of Directors	No. of Meetings held	No. of Meetings attended
Mr.RaghunandanJalan	4	4
Mr.Pratap Kumar Mondal	4	4
Mr.Ravi Modi	4	2

**b) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee of the company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Act.

**i) Terms of Reference**

The terms of reference of the Committee inter alia, includes the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criterion laid down and also recommended to the Board their appointment and their removal;
- To evaluate, approve and recommend the remuneration and terms of appointment of whole time directors within the overall ceilings approved by the shareholders;
- To carry out the evaluation of every directors' performance;
- To formulate the criterion for determining qualification, positive attributes and independence of a director;
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**ii) Composition of the Committee**

Name of the Director	Designation
Pratap Kumar Mondal	Chairman
RaghunandanJalan	Member
Ravi Modi*	Member

Mr. Ravi Modi, Independent Director of the company resigned from the Board of Directors of the company w.e.f. May 28, 2018 due to some personal reasons. Further, Mr. AmitVashishatha, Additional Director has been appointed as a new member in the Nomination and Remuneration Committee w.e.f. 14.08.2018. Hence, the committee comprises of :-

Name of the Director	Designation
Pratap Kumar Mondal	Chairman
RaghunandanJalan	Member
AmitVashishatha	Member

The Company Secretary shall act as a Secretary to the Committee.

**iii) Meetings of Nomination and Remuneration Committee held during the year and Directors' Attendance**

During the year, one meeting of Nomination and Remuneration committee was held on 09.08.2017. The attendance details of the committee meeting are as following:-

Name of Directors	No. of Meetings held	No. of Meetings attended
Pratap Kumar Mondal	1	1
RaghunandanJalan	1	1
RaviModi	1	0

**iv) Remuneration Policy**

The Nomination and Remuneration Policy of the company as approved by the Board in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 is enclosed as Annexure V of Directors' Report.

**v) Performance Evaluation of Independent Directors**

The criterion for performance evaluation covers the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

**vi) Remuneration Paid to Executive Directors during 2017-18 :-**

Name of the Director	Salaries and Allowances	Perquisites	Company's Contribution to PF	Commission & Performance linked incentives	Sitting Fees	Total
Mr.AvinashBajoria	4500000	289600	-	-	-	4789600
Mrs.PreetanjaliBajoria	900000	75000	-	-	-	9,75,000

vii) None of the Directors had the pecuniary relationship with the company.

viii) The non-executive Directors of the company are not paid any remuneration during the year 2017-18.

ix) The company enters into service contracts with all executive directors till the duration of their tenure. The services of the Executive Directors may be terminated by either party, giving the other party three months' notice or the company paying three months' salary in lieu thereof. There is no separate provision for payment of severance fees.

x) The company does not have any stock option/Employees Stock Option Scheme.

**c) Stakeholders' Relationship Committee:-**

The Stakeholders' Relationship Committee of the Company is entrusted specifically to look into the redressal of grievances of shareholders and other security holders. This committee considers and resolves the grievances of the shareholders of the company including complaints related to transfer of shares, non-



receipt of balance sheets, non-receipt of declared dividends. To expedite the process of share transfer, the Board has delegated the power of share transfer to the Company's Registrar and Share Transfer Agent, M/s Beetal Financial and Computer Services (P) Ltd.

The terms of reference of Shareholders'/Investors Grievance Committee was conferred on Stakeholders' Relationship Committee formed in accordance with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of the committee, inter-alia, includes:-

- Consider and resolve the grievances of security holders of the company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/annual reports etc. and all other security holders' related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer or transmission of securities, etc.

The details of composition of Stakeholders' Relationship Committee are as follows:-

Name of the Director	Designation
Pratap Kumar Mondal	Chairman
RaghunandanJalan	Member
Ravi Modi*	Member

\* Mr. Ravi Modi, Independent Director resigned from the Board of Directors of the company w.e.f. May 28, 2018 due to some personal reasons. Mr. AmitVashishatha, Additional Director of the company has been appointed as new member in the Stakeholders' Relationship Committee w.e.f. August 14, 2018. Hence, the committee comprises of following :-

Name of the Director	Designation
Pratap Kumar Mondal	Chairman
RaghunandanJalan	Member
AmitVashishatha	Member

**iii) Meetings of Stakeholders' Relationship Committee held during the year and Directors' Attendance**

During the year, three meetings of Stakeholders' Relationship committee were held on 25.05.2017,09.08.2017and14.11.2017. The attendance details of the committee meetings are as follows:-

Name of Directors	No. of Meetings held	No. of Meetings attended
Pratap Kumar Mondal	3	3
RaghunandanJalan	3	3
Ravi Modi	3	0

Ms. Anisha Jain, Company secretary of the company is the Compliance Officer of the company and also acts as the Secretary to the committee.

During the year under review, no complaints were received from the shareholders, therefore there was no investors' complaint pending as on March 31, 2018.

**4. General Body Meetings**

i) Date, Time & Venue of last three Annual General Meetings are as follows:

FINANCIAL YEAR	DATE	TIME	VENUE
2014-15	29/09/2015	11.00 A.M.	SP-825, Road No. 14. Vishwakarma Industrial Area, Jaipur
2015-16	30/09/2016	11.00 A.M.	SP-825, Road No. 14. Vishwakarma Industrial Area, Jaipur
2016-17	29/09/2017	02.00 P.M.	SP-825, Road No. 14. Vishwakarma Industrial Area, Jaipur

ii) The details of the special resolutions passed in the previous three AGMs are as under –

AGM	Subject Matter of Special Resolution
35 <sup>th</sup> AGM (September 29, 2015)	1. Appointment of Mrs. PreetanjaliBajoria as Whole Time Director. 2. Adoption of new set of Articles of Association of company as per Companies Act, 2013. 3. Increase in Remuneration of Mr. AvinashBajoria, Managing Director.
36 <sup>th</sup> AGM (September 30, 2016)	1. Re-appointment of Mr. AvinashBajoria as a Managing Director
37 <sup>th</sup> AGM (September 29, 2017)	-

iii) Postal Ballot:-

None of the special resolution passed last year through postal ballot.

iv) Details of Special Resolution proposed to be conducted through Postal Ballot: No Special Resolution is proposed to be conducted through postal ballot at the AGM to be held on September 29, 2018.

**5. Disclosures**

- i. Basis of Related Party Transactions: The company has no materially significant related party transactions i.e. transactions of the company of material nature with its promoters, the Directors, the management or their relatives etc. that may have potential conflicts with the company at large. Details of related party transactions are elaborated in Note No. 36 to the financial statements.
- ii. There were no instances of non-compliance by the company or penalties imposed on the company by stock exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.
- iii. Whistle Blower Policy and affirmation that no personnel have been denied access to the audit committee – The company has established a mechanism called vigil mechanism/whistle blower policy where employees are encouraged to report their concerns about any unethical behaviour, malpractices, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. It is affirmed that no personnel have been denied access to the audit committee.
- iv. The company has complied with all the mandatory requirements and followed guidelines of Corporate Governance as set out in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time. The company has adopted the following discretionary requirements as stipulated under Regulation 27 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time :-  
Reporting of Internal Auditor
  - a. The Internal Auditor directly reports to the Audit Committee on functional matters.
  - b. Other non-mandatory requirements has not been adopted.
  - v. The company does not have policy for determining material subsidiaries as the company don't have any subsidiary companies. As per the SEBI regulations, 2015, the company also have Policy on Archival of Documents and Policy for preservation of documents.
- vi. The weblink where the policy on dealing with related party transactions is as follows:-  
[www.bajoriagroup.in/PdfFile/Policies/Related%20Party%20Transaction%20Policy.pdf](http://www.bajoriagroup.in/PdfFile/Policies/Related%20Party%20Transaction%20Policy.pdf)
- vii. The company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time to the extent these are applicable on the company.

**6. Means of Communication**

The quarterly, half yearly and annual audited financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. The quarterly, half-yearly and annual financial results of the company are published in one English and Regional language newspaper viz., Financial Express and SamacharJagat. Also, the same are uploaded on the company's website i.e. [www.bajoriagroup.in](http://www.bajoriagroup.in).

**7. Management Discussion and Analysis Report:** Management Discussion and Analysis Report forms part of the Annual Report.

**8. General Shareholders Information**

**(i) 38<sup>th</sup> Annual General Meeting**



**Day & Date** : Saturday, September 29, 2018  
**Time** : 02.00P.M.  
**Venue** : SP-825, Road No. 14, Vishwakarma Industrial Area, Jaipur  
**(ii) Financial Year** : April 1 – March 31  
**(iii) Date of Book Closure** : September 24, 2018– September 29, 2018 (Both Days Inclusive)  
**(iv) Dividend Payment Date** : During the year, the company has not declared any dividend.  
**(v) Listing on Stock Exchanges at** : **BSE Ltd**  
 PhirozeJeeJeebhoy Towers,  
 Dalal Street, Mumbai – 400001.  
**(vi) Listing Fees** : Listing fees payable to the stock exchange for the financial year 2017-18 have been paid Infull.  
**(vii) Stock Code** : 538707 BSE Ltd.  
**(viii) ISIN** : INE929D01016  
**(ix) Financial Calendar**  
 Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March  
 Tentative Schedule for declaration of results during the financial year 2018-19  
 1<sup>st</sup> Quarter 2<sup>nd</sup> Week of August, 2018  
 2<sup>nd</sup> Quarter 2<sup>nd</sup> Week of November, 2018  
 3<sup>rd</sup> Quarter 2<sup>nd</sup> Week of February, 2019  
 4<sup>th</sup> Quarter 4<sup>th</sup> Week of May, 2019  
 Annual General Meeting for the year 2019: End of September 2019

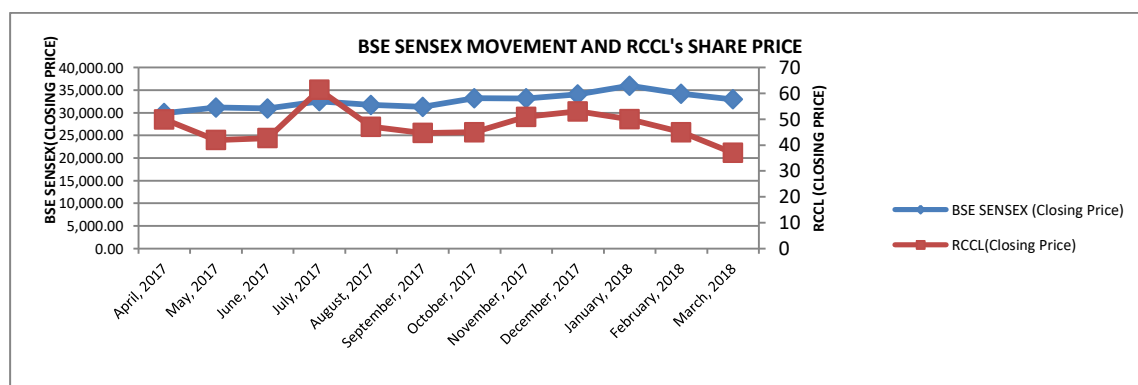
**(x) Market price data:**

The High/Low of Market Price of Company's equity shares traded on BSE Ltd from April 2017 to March, 2018 are as follow:-

Month	High	Low	Volume (Nos.)
April, 2017	58.90	32.55	2,76,917
May, 2017	50.70	38.70	1,09,554
June, 2017	48.95	39.40	15,394
July, 2017	70.90	42.20	2,41,812
August, 2017	65.00	43.50	99,618
September, 2017	51.60	44.00	57,663
October, 2017	50.80	39.20	62,128
November, 2017	53.85	40.65	23,324
December, 2017	58.90	40.10	23,224
January, 2018	63.85	45.10	21,535
February, 2018	54.00	38.00	26,394
March, 2018	45.95	33.55	53,677

**(xi) Performance of the share price of the Company in comparison to BSE SENSEX:-**

Months	RCCL (Closing Price)	BSE SENSEX (Closing Price)
April, 2017	49.95	29,918.40
May, 2017	41.95	31,145.80
June, 2017	42.70	30,921.61
July, 2017	61.40	32,514.94
August, 2017	47.10	31,730.49
September, 2017	44.65	31,283.72
October, 2017	45.00	33,213.13
November, 2017	50.90	33,149.35
December, 2017	53.00	34,056.83
January, 2018	50.00	35,965.02
February, 2018	45.00	34,184.04
March, 2018	37.00	32,968.68



**(xii) Registrar & Share Transfer Agents:**

M/s Beetal Financial & Computer Services (P) Ltd., Beetle House, 3<sup>rd</sup> Floor, 99 Madangir Behind Local Shopping Centre, Near Dada HarsukhdasMandir, New Delhi 110062.

**(xiii) Share Transfer System:**

For transfer of shares in electronic form, the depositories directly transfer the dematerialized shares to the beneficiaries. Shareholders are not required to give separate communication to the Company to register share transfer.

For transfer of shares in physical form, shareholders are requested to send share certificate(s) along with the share transfer deed/form, duly executed and affixed with the share transfer stamp, to the Company's Registrar of Share Transfer Agent ('RTA'), M/s Beetal Financial Financial & Computer Services (P) Ltd., If the transfer documents are in order, the transfer of shares is registered within stipulated time by Company's RTA.

The Company obtains from a Company Secretary – in – Practice, a half yearly certificate of compliance with the share transfer formalities and timely issuance of share certificates, pursuant to Regulation 40 (9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The Company regularly files a copy of the said certificate with the Stock Exchanges.

**(xiv) Dematerialization of Shares:**

The company's shares are available for trading under both the Depository systems in India, the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The details of mode of holding as on March 31, 2018 are as under:

S.No.	Mode of Holding	Holding (Nos.)	Holding (%)
1.	Shares held in demat form in NSDL	1659311	49.361
2.	Shares held in demat form in CDSL	1533022	45.604
3.	Shares held in physical form	169262	5.035
	<b>TOTAL</b>	<b>33,61,595</b>	<b>100</b>

As on 31<sup>st</sup> March, 2018, the 94.965% of total equity shares are in demat form and the rest are in physical form.

**(xv) Distribution of Shareholding as on March 31, 2018**

Share or Debenture holding of nominal value	Share/Debenture Holders		Share/ Debenture Amount	
	Rs.	Number	Rs.	% to total
(1)	(2)	(3)	(4)	(5)
Upto 5000	781	82.73	2071080	6.1610
5001-10000	74	7.83	598750	1.7811
10001-20000	30	3.17	441740	1.3141
20001-30000	11	1.16	281650	0.8378
30001-40000	5	0.52	184780	0.5497
40001-50000	8	0.84	364070	1.0830
50001-100000	13	1.37	902720	2.6854
100001 and above	22	2.33	28771160	85.5878
<b>Total</b>	<b>944</b>	<b>100.00</b>	<b>3,36,15,950</b>	<b>100.0000</b>

**Category – wise shareholding as on March 31<sup>st</sup>, 2018**

CATEGORY	No. of Shares held	% to total shares held
Indian Promoter – Individual	1335377	39.72
Corporate Bodies – Promoter group	843309	25.09
Resident Individual	621895	18.50
Bodies Corporate	500282	14.88
Clearing Member	100	0.00
NRI – Non-Repatriable	788	0.02
Resident Individual – HUF	58294	1.73
NRI – Repatriable	1550	0.05

**(xvi)** The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2018, the company does not have any outstanding ADRs/GDRs/Warrants or any convertible instruments.

**(xvii)** Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

**(xviii)** Disclosures with respect to demat suspense account/unclaimed suspense account: None.

**(xix) Plant and Registered office located at :-**

Rajasthan Cylinders And Containers Ltd  
SP - 825, Road No. 14, Vishwakarma Industrial Area, Jaipur -302013  
Telephone No. 0141-2331771 /2; Fax No.0141-2330810;Emailaddress:-info@bajoriagroup.in

**(xx) Address for Investors Correspondence**

In case of any problem/query, shareholders can contact at :

**Address:**

Ms.Anishajain (Company Secretary & Compliance Officer)  
SP-825, Road No. 14,  
Vishwakarma Industrial Area, Jaipur – 302013  
Tel No. 0141-2331771/2Fax No. 0141-2330810 E-mail: info@bajoriagroup.in

**(xxi) Auditors Certificate on Corporate Governance:**

As required under applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the auditors' certificate on corporate governance is annexed to the Directors' report.

**(xxii) CEO and CFO Certification:**

As required by Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the CEO and CFO certification is annexed herewith as Annexure I to the Corporate Governance Report.

**9. Declaration regarding compliance with the Company's Code of Conduct**

In terms of the requirement of Listing Regulations, this is to confirm that all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2018.

**For Rajasthan Cylinders And Containers Ltd**

Sd/-

**(AvinashBajoria)**

Managing Director

DIN No. 01402573

Place: Jaipur

Date:14.08.2018

**Annexure I**

**CEO and CFO CERTIFICATION**

To,

The Board of Directors

Rajasthan Cylinders And Containers Ltd

Jaipur

We, Mr .Avinash Bajoria, Managing Director and Mr. Suresh Kumar Jain, CFO of Rajasthan Cylinders And Containers Ltd hereby certify that:

a. We have reviewed the financial statements and the cash flow statement for the year 2017-18 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2017-18 which are fraudulent, illegal or violative of the company'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 the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the 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 have indicated to the Auditors and the Audit Committee -

- Significant changes in internal control over the financial reporting during the year ;
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over the financial reporting.

**For Rajasthan Cylinders And Containers Ltd**

Sd/-

**(AvinashBajoria)**

Managing Director

DIN No. 01402573

Sd/-

**(Suresh Kumar Jain)**

CFO

Place: Jaipur

Date: 30.05.2018

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Rajasthan Cylinders and Containers Ltd**

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

We have audited the accompanying standalone financial statements of Rajasthan Cylinders and Containers Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 the 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 standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### **Basis for Qualified Opinion**

- (i) **The Company has not provided for Bad debts (Non Current Assets- Loans) of Rs. 56.31 Lakhs from a body corporate M/s Ankur Drugs and Pharma Limited which is under liquidation.**

**We further report that, had the observation made by us in para (i) above been considered, the loss for the year would have been Rs. 135.55 Lakhs (as against the reported figure of Rs. 79.23 Lakhs), the Other equity for the year would have been Rs. 2120.83 Lakhs (as against the reported figure of Rs. 2177.14 Lakhs) and Financial assets-Loans-Non Current for the year end would have been Rs. Nil (as against the reported figure of Rs. 56.31 Lakhs).**

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 March 31, 2018, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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

- 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 paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - The qualification relating to other matters connected there with are stated in the Basis for Qualified Opinion paragraph above.
  - 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
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014 in our opinion and to the best of our information and according to the explanation given to us:

The Company has disclosed the impact of pending litigation on its financial position in its financial statements-Refer Note No. 34 to the financial statements.

- The Company does not have any long term contracts including derivative, contracts for which there were any material foreseeable losses.
- There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2018.

**For S.S. SURANA & CO.**  
Chartered Accountants  
(FRN. 001079C)  
Sd/-  
(Pralhad Gupta)  
Partner  
**Membership No. 074458**

Place: Jaipur  
Date: 30/05/2018

**ANNEXURE - A FORMING PART OF THE INDEPENDENT AUDITOR'S REPORT OF Rajasthan Cylinders and Containers Ltd**  
Referred to in paragraph under the heading of "Report on other Legal & Regulatory Requirements" of our report of even date to the Members of Rajasthan Cylinders and Containers Ltd on the standalone financial statement for the year ended March 31<sup>st</sup> 2018;

- As explained to us, the Company generally maintains proper records showing full particulars including quantitative details and situation of fixed Assets.
  - As informed to us, parts of the assets have been physically verified by the management in accordance with a phased programme of verification; however such physical verification reports were not available for our verification. As informed to us, no material discrepancies have been noticed on such verification.
  - 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 except for the following immovable property:

Name of Immovable Property	Total Number of Cases	Gross Block (Amount in Rs.)	Net Block (Amount in Rs.)	Remarks
Building	2	9,66,180/-	8,52,518/-	Lease deed is yet to be executed and registered.

- As per information furnished, the inventory lying at its location has been physically verified during the year by the management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- According to information and explanations given to us, the company has given advances to 3 bodies corporate covered in the register maintained under Section 189 of the Companies Act 2013.

- (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (b) The principal amount of loan and interest is payable on demand. Repayment of Loan and interest is received as and when demanded.
- (c) Since the amount of loan and interest is repayable on demand and the company has not recalled the loan, hence there is no overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made except following:

Sr. no.	Name of Company	Relation with Director	Maximum Amount Outstanding during the year (Rs.)	Amount Outstanding as at Balance Sheet date (Rs.)
1.	Shipra Towers Pvt Ltd	One director of lending company is director and member in borrowing company	28,21,581	Nil

- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within in the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of Companies Act, 2013 and the rules framed thereunder and the directives issued by Reserve Bank of India.
- (vi) As explained to us, the Central Government has prescribed maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect to the company's products. We are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company. However we have not made detailed examination of such records.
- (vii) (a) According to the records of the company produced for our verification, 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, Goods and Service Tax, cess and any other statutory dues to appropriate authorities wherever applicable. According to the information and explanation given to us, no undisputed arrears of statutory dues were outstanding as on 31/03/2018 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of Customs or duty of Excise or Value Added Tax or Goods and Service Tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the records of the Company and information given to us, we are of the opinion that the company has not defaulted in repayment of Loans from Banks. Further as per records of the company, during the year there were no loans or borrowings from any Financial Institutions, Government or debenture holders.
- (ix) The company has not raised any money by the way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) 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) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our 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 Indian accounting standards.
- (xiv) 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) As explained and informed to us by the management the company has not entered into any non cash transaction with the directors or person connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under Section 45IA of the Reserve Bank of India Act,1934.

**For S.S. SURANA & CO.**  
Chartered Accountants  
(FRN. 001079C)  
Sd/-  
(Pralhad Gupta)  
Partner  
**Membership No. 074458**

Place: Jaipur  
Date: 30/05/2018

**Annexure - B to the Independent Auditors' Report on Standalone Financial Statements of Rajasthan Cylinders and Containers Ltd  
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 Rajasthan Cylinders and Containers Ltd ("the Company") as of 31 March 2018 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. 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 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Jaipur  
Date: 30/05/2018

**For S.S. SURANA & CO.**  
Chartered Accountants  
(FRN. 001079C)  
Sd/-  
(Prahallad Gupta)  
Partner  
**Membership No. 074458**

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018**

(Rs. in Lakhs)

S. No	Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I	<b>ASSETS</b>				
	<b>Non-Current Assets</b>				
	a. Property, Plant and Equipment	3	901.19	746.35	731.85
	b. Capital Work in Progress	3	59.08	78.65	-
	c. Financial Assets				
	(i) Investments	4	640.85	690.76	637.90
	(ii) Loans	5	56.31	56.31	56.31
	(iii) Other Financial Assets	6	136.26	107.37	96.99
	d. Other Non-Current Assets	7	97.99	74.54	42.23
	<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,891.68</b>	<b>1,753.98</b>	<b>1,565.28</b>
	<b>Current Assets</b>				
	a. Inventories	8	848.97	908.39	629.00
	b. Financial Assets				
	(i) Trade receivables	9	571.63	1,105.44	435.57
	(ii) Cash and Cash Equivalents	10	33.09	6.24	59.87
	(iii) Bank balances other than (ii) above	11	21.78	14.36	13.66
	(iv) Loans	5	741.40	334.33	527.36
	(v) Other Financial Assets	6	197.57	151.26	144.77
	c. Current Tax Assets (Net)	12	17.21	4.95	9.62
	d. Other Current Assets	7	315.13	372.70	353.82
	<b>TOTAL CURRENT ASSETS</b>		<b>2,746.78</b>	<b>2,897.67</b>	<b>2,173.67</b>
	<b>TOTAL ASSETS</b>		<b>4,638.46</b>	<b>4,651.65</b>	<b>3,738.95</b>
II.	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
	a. Equity Share Capital	13	336.16	336.16	336.16
	b. Other Equity	14	2,177.14	2,256.37	2,133.21
	<b>TOTAL EQUITY</b>		<b>2,513.30</b>	<b>2,592.53</b>	<b>2,469.37</b>
	<b>Liabilities</b>				
	<b>Non Current Liabilities</b>				
	a. Financial Liabilities				
	(i) Borrowings	15	597.68	261.61	368.08
	b. Provisions	16	35.65	30.17	20.14
	c. Deferred Tax Liabilities (Net)	17	37.32	32.17	8.30
	<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>670.65</b>	<b>323.95</b>	<b>396.52</b>
	<b>Current Liabilities</b>				
	a. Financial liabilities				
	(i) Borrowings	15	652.20	713.24	495.81
	(ii) Trade payables	18	696.76	832.57	261.84
	(iii) Other financial liabilities	19	73.06	136.39	74.73
	b. Other Current liabilities	20	6.49	30.80	22.45
	c. Provisions	16	26.00	22.17	18.23
	<b>TOTAL CURRENT LIABILITIES</b>		<b>1,454.51</b>	<b>1,735.17</b>	<b>873.06</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,638.46</b>	<b>4,651.65</b>	<b>3,738.95</b>

The accompanying notes are an integral part of the standalone financial statements

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Prahald Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Suresh Jain)**

CFO



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

PARTICULARS	NOTES	(Rs. in Lakhs)	
		Year ended March 31,2018	Year ended March 31,2017
<b>INCOME</b>			
I Revenue from Operations	21	5,816.18	8,625.77
II Other Income	22	60.74	67.26
<b>III TOTAL INCOME (I+II)</b>		<b>5,876.92</b>	<b>8,693.03</b>
<b>IV EXPENSES</b>			
Cost of material consumed	23	3,799.42	5,349.42
Changes in inventories of finished goods & work in process	24	28.09	23.24
Excise duty on sales		119.67	867.92
Employee benefits expense	25	212.79	187.19
Finance costs	26	114.40	137.50
Depreciation and amortisation expense	27	55.89	45.77
Other expenses	28	1,561.16	1,968.39
<b>TOTAL EXPENSES</b>		<b>5,891.42</b>	<b>8,579.43</b>
<b>V Profit/ (Loss) before exceptional items and tax</b>		(14.50)	113.60
VI Exceptional items		-	-
<b>VII Profit/(Loss) before tax</b>		(14.50)	113.60
<b>VIII Tax Expense</b>			
a Current Tax	30	7.07	13.77
b Deferred Tax	30	5.35	25.74
<b>IX Profit/(Loss) for the year</b>		(26.92)	74.09
<b>X Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss			
i. Remeasurement of defined benefit plans		(0.60)	(5.65)
ii. Equity Instruments through OCI		(51.91)	52.85
iii. Income Tax relating to items that will not be re-classified to P&L		0.20	1.87
B. i. Items that will be reclassified to profit or loss			
ii. Income Tax relating to items that will be re-classified to P&L		-	-
<b>Total Other Comprehensive Income</b>		(52.31)	49.07
<b>Total Comprehensive Income for the year (IX+X)</b>		(79.23)	123.16
Earnings Per Equity Share (Par value INR 10/- per share)			
Basic (Rs.)	29	(0.80)	2.20
Diluted (Rs.)		(0.80)	2.20

The accompanying notes are an integral part of the standalone financial statements

In terms of our report of even date attached

For S.S.SURANA & CO.

Chartered Accountants

FRN 001079C

Sd/-

(Pralhad Gupta)

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

For and on behalf of the Board of Directors

Sd/-

(Avinash Bajoria)

Managing Director

DIN: 01402573

Sd/-

(Anisha Jain)

Company Secretary

Sd/-

(Preetanjali Bajoria)

Whole Time Director

DIN: 01102192

Sd/-

(Suresh Jain)

CFO

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018**

(Rs. in Lakhs)

**A. Equity Share Capital**

<b>Balance as at April 01, 2016</b>	<b>336.16</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2017</b>	<b>336.16</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2018</b>	<b>336.16</b>

**B. Other Equity**

Particulars	Retained Earnings	Other Comprehensive Income- Reserve for Equity Instruments	Revaluation Surplus	Total Other Equity
<b>Opening balance as at April 01, 2017</b>	<b>1,882.99</b>	<b>81.59</b>	<b>291.79</b>	<b>2,256.37</b>
Transfer to Retained earnings	-	-	-	-
Profit/ (Loss) for the year	(26.92)	-	-	(26.92)
Other Comprehensive income for the year	(0.60)	(51.91)	-	(52.51)
Deferred tax related to OCI	0.20	-	-	0.20
<b>Closing balance as at March 31, 2018</b>	<b>1,855.67</b>	<b>29.68</b>	<b>291.79</b>	<b>2,177.14</b>

Opening balance as at April 01, 2016	1,809.45	28.74	295.02	2,133.21
Transfer to Retained earnings	3.23	-	(3.23)	-
Profit/ (Loss) for the year	74.09	-	-	74.09
Other Comprehensive income for the year	(5.65)	52.85	-	47.20
Deferred tax related to OCI	1.87	-	-	1.87
Closing balance as at March 31, 2017	1,882.99	81.59	291.79	2,256.37

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Pralhad Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Suresh Jain)**

CFO

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	(14.50)		113.60	
<b>Adjustments for:</b>				
Depreciation and amortisation expense	55.89		45.77	
Finance cost	114.40		137.50	
Interest income	51.14		57.66	
Actuarial gain/(losses) reclassified to OCI	(0.60)		(5.65)	
Provision for Gratuity	7.45		11.24	
Provision for Earn Leave Payment	1.86	215.64	2.74	362.86
Operating profit / (loss) before working capital changes		215.64		362.86
<b>Movement in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	59.42		(279.39)	
Trade receivables	533.81		(669.87)	
Current Financial Assets- Loans	(407.07)		193.03	
Current Financial Assets- Others	(53.73)		(7.19)	
Other current assets	45.31		(14.21)	
Non current Financial Assets- Others	(28.89)		(10.38)	
Other non-current assets	(23.45)		(32.31)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(135.81)		570.73	
Current Financial liabilities- Others	(63.33)		61.66	

Other Current liabilities	(24.31)		8.35	
Other long-term liabilities	-		-	
Short-term provisions	-	(98.05)	-	(179.58)
		117.59		183.28
Cash flow from exceptional items		-		-
Cash generated from operations		117.59		183.28
Net income tax (paid) / refunds		(7.07)		(13.78)
<b>Net cash flow from / (used in) operating activities (A)</b>		110.52		169.49
<b>B. Cash flow from investing activities</b>				
Capital expenditure on Property, Plant and Equipment, including capital work in progress(net)	(191.16)		(138.92)	
Sale/ Transfer of Property, Plant and Equipment	-		-	
Investment in Shares	(2.00)		-	
Interest received	(51.14)	(244.30)	(57.66)	(196.58)
		(244.30)		(196.58)
Cash flow from exceptional items		-		-
<b>Net cash flow from / (used in) investing activities (B)</b>		(244.30)		(196.58)
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	336.07		-	
Repayment of long-term borrowings	-		(106.47)	
Proceeds from Short Term Borrowings	(266.43)		226.43	
Net increase / (decrease) in working capital borrowings	205.39		(9.00)	
Finance cost	(114.40)	160.63	(137.50)	(26.54)
		160.63		(26.54)
Cash flow from exceptional items		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		160.63		(26.54)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		26.85		(53.63)
Cash and cash equivalents at the beginning of the year		6.24		59.87
<b>Cash and cash equivalents at the end of the year</b>		33.09		6.24
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
<b>Cash and cash equivalents as per Balance Sheet (Refer Note 10)</b>		33.09		6.24

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Pralhad Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Suresh Jain)**

CFO

## Notes to the Standalone Financial Statement for the year ended 31st March, 2018

### Note 1: COMPANY INFORMATION

Rajasthan Cylinders And Containers Ltd. is a public limited company incorporated on 24th December, 1980 having its registered office at SP-825, Road No.14 Vishwakarma Industrial Area, Jaipur, Rajasthan, India. The Company Corporate Identification Number is L28101RJ1980PLC002140. The shares of the company are listed on BSE Ltd. The company manufactures and sells mainly LPG Cylinders, Valves & Regulators and renders refilling services of LPG Gas. The standalone financial statements for the year ended March 31, 2018 are approved by the Board of Directors and authorised for issue on May 30, 2018.

### Note 2: SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2017. These financial statements comprising of Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity for the year ended March 31, 2018 have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The transition for previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards with effect from April 01, 2016 being the transition date. In accordance with Ind As 101, the company has presented the reconciliation from previous GAAP to Ind AS of total equity as at April 1, 2016 & March 31, 2017 and total comprehensive income for March 31, 2017 (Refer Note 38).

#### 2.2 Basis of Preparation of Accounts

The financial statements are prepared under historical cost basis except for certain assets and liabilities that are measured at fair values.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants at the measurement date.

#### 2.3 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees ("INR") which is the Company's presentation currency and the functional currency for all its operations. All financial information presented in INR has been rounded to the nearest lakhs with two decimal places unless stated otherwise.

**2.4 Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to carrying value of assets and liabilities include useful lives of Property, plant and equipment, impairment of Property, plant and equipment, investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**2.5 Classification of Assets and Liabilities as Current and Non Current**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

**2.6 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customers returns, rebates and other similar allowances.

The Company has assumed that recovery of excise duty flows to the company on its own account and thus, revenue includes excise duty upto June 30, 2017 as the same got subsumed in Goods and service Tax (GST) with effect from July 1, 2017.

However sales tax/ value added tax (VAT)/ Goods and Service Tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

**Sale of Goods**

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

**Rendering of Services**

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

**Other Operating Income**

Other Operating Income is recognised on accrual basis.

**Interest income**

Interest income on Financial Assets is recognised on time proportion basis using the effective interest rate method.

**Dividend income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**Rental Income**

Rental income is recognised on accrual basis in accordance with agreement.

**2.7 Inventories**

Raw Material, Stores & Spares including packing material, Work In Progress, Finished Goods and Scrap are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis.

In respect of Raw materials, Stores & Spares including Packing material: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In respect of Finished goods and work in progress: Cost includes cost of materials, labour and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

**2.8 Property, Plant & Equipment**

Property, plant and equipment are initially recognized at cost including the cost directly attributable for bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

The Company has opted for an exemption provided by the Indian Accounting Standard (Ind As)-101. Accordingly the carrying value for all Property, plant and Equipment as recognized in the financial statements, as at the date of transition to Ind AS, measured as per previous GAAP are used as deemed cost as at the date of transition.

Depreciation is provided, pro rata for the period of use, on straight line method over the estimated useful lives of the property, plant & equipment except leasehold land as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

**2.9 Leases**

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease.

**Company as a lessee:** Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation.

**Company as a lessor:** Rental income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

**2.10 Impairment of Non Financial Assets**

The carrying amount of non- financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expenses in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

## 2.11 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and loss.

### 2.11.1 Financial assets

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### i) Classification of Financial Assets

**a) Debt Instrument at amortised cost :** 'Debt instrument' is measured at the amortised cost if both the following conditions are met: (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

**b) Debt Instrument at FVTOCI:** Debt instruments are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments included within the FVTOCI category are measured at fair value with all changes recognized in the Other Comprehensive Income.

**c) Debt Instrument at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**d) Equity Instruments measured at FVTOCI or FVTPL:** All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss.

**e) Equity instruments measured at Cost:** Equity investments in subsidiaries / joint ventures / associates are accounted at cost.

**ii) Derecognition:** The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**iii) Impairment of financial assets:** The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

### 2.11.2 Financial Liabilities and Equity instruments

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

#### i) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### ii) Financial Liabilities

**A) Financial liabilities are classified as either "financial liabilities at fair value through profit or loss" or "other financial liabilities. (a) Financial liabilities are classified as "financial liabilities at fair value through profit or loss" if they are held for trading or if they are designated as financial liabilities at fair value through Statement of profit and loss. These are measured initially at fair value with subsequent changes recognized in profit or loss. Fair value is determined as per Ind AS 113 'fair value measurement'. (b) Other financial liabilities, including loans and borrowing, are initially measured at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the EIR method.**

#### **B) Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit and loss.

### 2.11.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is as intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.12 Foreign Exchange Transactions/Translations

Foreign Currency transactions are accounted for at the rates of exchange prevailing on the date of the transaction. Monetary asset and liability outstanding at the year end are translated at the exchange rate prevailing at the year end and gain or loss is recognised in statement of profit and loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rate at date of initial transactions, are not retranslated.

## 2.13 Employee Benefits

### Defined contribution plans

Company's contribution for the year paid / payable to defined contribution plans are charged to the Statement of profit and loss.

### Defined benefit plans

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

As required by Ind AS 19 'Employee Benefits', the discount rate used to arrive at the present value of the defined benefits, obligations is based on the Indian government security yields prevailing as at the Balance Sheet date that have maturity date equivalent to the tenure of the obligation.

#### **2.14 Taxes on Income**

Tax expenses comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent it relates to the items recognised directly in equity or in OCI.

##### **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the recognised amounts and there is intention either to settle the asset and liability on a net basis.

##### **Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in statement of profit and loss, other comprehensive income or directly in equity as applicable. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities.

#### **2.15 Provision, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in financial statements and are disclosed in notes when it is virtually certain that economic benefits will inflow to the company.

#### **2.16 Segment Reporting**

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Company with the following additional policies:

- Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.
- Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocated Corporate expenses".

#### **2.17 Earnings Per Share**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### **2.18 Cash Flow Statement**

Cash flows are reported using the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effects of transactions of a 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 flows. The cash flows from operating, investing and financing activities of the Company are segregated.

#### **2.19 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **2.20 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The borrowing costs other than attributable to qualifying assets are recognised in the profit or loss in the period in which they incurred.

#### **2.21 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Notes to the Standalone Financial Statement for the year ended 31st March, 2018

(Rs. in Lakhs)

3 (i) PROPERTY, PLANT AND EQUIPMENT

Particulars	Lease Hold Land	Building	Plant & Equipment	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
<b>GROSS CARRYING AMOUNT</b>								
As at 01.04.2016	300.81	268.99	1,413.61	22.14	36.82	30.90	51.64	2,124.91
Addition	-	-	45.84	3.55	0.94	0.35	9.59	60.27
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	300.81	268.99	1,459.45	25.69	37.76	31.25	61.23	2,185.18
Addition	-	130.05	10.62	20.55	5.28	44.22	-	210.72
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2018	300.81	399.04	1,470.07	46.24	43.04	75.47	61.23	2,395.90
<b>ACCUMULATED DEPRECIATION</b>								
As at 01.04.2016	37.27	167.07	1,107.28	16.81	34.09	16.70	13.84	1,393.06
Depreciation for the year	-	7.21	27.14	2.17	0.88	1.79	6.58	45.77
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	37.27	174.28	1,134.42	18.98	34.97	18.49	20.42	1,438.83
Depreciation for the year	-	9.85	26.91	5.35	1.85	4.83	7.10	55.89
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2018	37.27	184.13	1,161.33	24.33	36.82	23.32	27.52	1,494.72
<b>NET CARRYING AMOUNT</b>								
As at 01.04.2016	263.54	101.92	306.33	5.33	2.73	14.20	37.80	731.85
As at 31.03.2017	263.54	94.71	325.03	6.71	2.79	12.76	40.81	746.35
As at 31.03.2018	263.54	214.92	308.74	21.90	6.22	52.16	33.71	901.19

(3.1) In accordance with Ind AS transition provisions, the Company has opted to consider previous GAAP carrying value of Property, Plant and Equipment as on transition date i.e. 01.04.2016 .

(3.2) Property, Plant and Equipment of the Company carry first charge in favor of the banker as security for banking facilities availed. For details of security refer note no. 15.

(3.3) Building includes office space given to an associate under operating lease for which net carrying amount is not ascertainable.

3 (ii) : CAPITAL WORK IN PROGRESS

Particulars	Lease Hold Land	Building	Plant & Equipment	Office Equipments	Computer	Furniture & Fixtures	Vehicles	Total
As at 01.04.2016	-	-	-	-	-	-	-	-
Addition	-	78.65	-	-	-	-	-	78.65
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	-	78.65	-	-	-	-	-	78.65
Addition	-	51.40	59.08	-	-	-	-	110.48
Disposals	-	130.05	-	-	-	-	-	130.05
As at 31.03.2018	-	-	59.08	-	-	-	-	59.08



**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '4' : FINANCIAL ASSETS -INVESTMENTS</b>			
<b>Non Current Investments</b>			
<b>(A) Investment in Associate Companies - Equity Shares (Fully paid)</b>			
<b>Unquoted (Trade): Instruments at cost</b>			
<b>Beetel Tie-up Pvt Ltd</b>	2.33	0.33	0.33
23300 Equity Shares (Prev. yrs. 3300 Equity Shares ) of Rs 10/- each			
<b>Agribiotech Industries Ltd</b>	531.65	531.65	531.65
5316500 Equity Shares (Prev. yrs. 5316500 Equity Shares ) of Rs 10/- each			
<b>Shipra Towers Pvt. Ltd.</b>	0.50	0.50	0.50
4980 Equity Shares (Prev. yrs. 4980 Equity Shares ) of Rs 10/- each			
	<b>534.48</b>	<b>532.48</b>	<b>532.48</b>
<b>(B) Other Investments</b>			
<b>Instruments at fair value through other comprehensive income (FVTOCI)</b>			
<b>Equity Shares (fully paid)</b>			
<b>i) Unquoted (Trade)</b>			
<b>Rajasthan Synthetic Industries Ltd.</b>	0.01	0.01	0.01
300 Equity Shares (Prev.yrs. 300 Equity Shares)			
<b>TTG Industries Ltd.</b>	0.05	0.05	0.05
5000 Equity Shares (Prev.yr. 5000 Equity Shares)			
<b>Heaven Marketing Pvt Ltd</b>	9.24	0.58	0.58
11500 Equity Shares (Prev. yrs. 11500 Equity Shares )of Rs 10/- each			
<b>Mayawati Trading Co. Pvt Ltd</b>	1.70	0.90	0.90
9000 Equity Shares (Prev. yrs. 9000 Equity Shares ) of Rs 10/- each			
<b>Goyal Complex Pvt. Ltd</b>	0.01	10.46	10.46
820 Equity Shares (Prev. yrs. 820 Equity Shares ) of Rs 10/- each			
<b>Anshuventure Pvt. Ltd.</b>	2.03	2.00	2.00
2000 Equity Shares (Prev. yrs.2000 Equity Shares ) of Rs. 100/- each			
<b>Mangal Kamna Agencies Pvt. Ltd.</b>	1.99	2.00	2.00
2000 Equity Shares (Prev. yrs.2000 Equity Shares ) of Rs. 100/- each			
	<b>15.03</b>	<b>16.00</b>	<b>16.00</b>
<b>ii) Quoted (Trade)</b>			
<b>Beekay Niryat Ltd.</b>	90.38	138.69	85.83
709400 Equity Shares (Prev.yrs. 709400 Equity Share ) of Rs. 10/- each			
<b>Filament India Ltd.</b>	0.89	3.56	3.56
434500 Equity Shares (Prev. yrs. 434500 Equity Shares ) of Rs. 10/- each			
<b>Kashyap Radiant Ltd.</b>	-	-	-
1633 Equity Shares (Prev.yrs. 1633 Equity Shares)			
<b>LCC Infotech Ltd.</b>	0.05	0.02	0.02
5500 Equity Shares (Prev.yrs. 5500 Equity Shares)			
<b>The Mysore Paper Mills Ltd.</b>	0.02	0.01	0.01
300 Equity Shares (Prev.yrs. 300 Equity Shares)of Rs. 10/-each			
	<b>91.34</b>	<b>142.28</b>	<b>89.42</b>
<b>B (i+ii)</b>	<b>106.37</b>	<b>158.28</b>	<b>105.42</b>
<b>Total (A+B)</b>	<b>640.85</b>	<b>690.76</b>	<b>637.90</b>
Aggregate amount of quoted investments	91.34	142.28	89.42
Market value of quoted investments	91.34	142.28	89.42
Aggregate amount of unquoted investments	549.51	548.48	548.48
Investments carried at cost	534.48	532.48	532.48
Investments carried at fair value through OCI	106.37	158.28	105.42
<b>Note '5' : FINANCIAL ASSETS - LOANS</b>			
<b>Non Current (Unsecured, Considered Good)</b>			
To Other Corporate Bodies	56.31	56.31	56.31
	<b>56.31</b>	<b>56.31</b>	<b>56.31</b>
<b>Current (Unsecured, Considered Good)</b>			
To Related Parties- Corporate Bodies (refer note no. 36)	59.00	34.84	303.10
To Other Corporate Bodies	682.40	299.49	224.26
	<b>741.40</b>	<b>334.33</b>	<b>527.36</b>

(Non Current loans include loan of Rs. 56.31 Lakhs recoverable from M/S Ankur Drugs and Pharma Ltd including interest of Rs. 6.31 Lakhs upto 31/03/2012. The honorable Bombay High Court has passed an order dated 08/07/2013 for winding up of this Company. The Company has submitted its claim of Rs. 73.17 Lakhs including interest till 31.01.2014 to the official liquidator. The accounting entries for write off of loan including interest or recognition of income will be done in the year of final recovery from the official Liquidator.)

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

<b>PARTICULARS</b>	<b>As at March 31,2018</b>	<b>As at March 31,2017</b>	<b>As at April 1, 2016</b>
<b>Note '6' : FINANCIAL ASSETS - OTHERS</b>			
<b>Non Current</b>			
<b>(Unsecured, Considered Good)</b>			
Security Deposits	136.26	107.37	96.99
	<u>136.26</u>	<u>107.37</u>	<u>96.99</u>
<b>Current</b>			
<b>(Unsecured, Considered Good)</b>			
Share Application money pending allotment	-	2.00	-
Rent Receivable	20.37	10.07	-
Interest Receivable on FD	0.76	1.59	1.34
Interest Receivable - others	1.54	10.89	2.29
Security Deposits	144.73	95.34	123.44
Employees Advances	30.17	31.37	17.70
	<u>197.57</u>	<u>151.26</u>	<u>144.77</u>
<b>Note '7' : OTHER ASSETS</b>			
<b>Non Current</b>			
Other Receivables	-	1.29	1.29
Excise Duty/ Sales Tax under protest	97.99	73.25	40.94
	<u>97.99</u>	<u>74.54</u>	<u>42.23</u>
<b>Current</b>			
GST/Excise Duty/Sales Tax receivable	33.26	245.01	204.66
Prepayment Expenses	4.75	2.60	9.95
Income Tax/VAT/ Excise Duty refundable	199.79	-	-
Advances to Suppliers & Services Providers	77.33	125.09	139.21
	<u>315.13</u>	<u>372.70</u>	<u>353.82</u>
<b>Note '8' : INVENTORIES</b>			
Raw Material	237.76	319.40	99.78
(Includes Stock Rs. Nil in Transit, previous year Rs. 25.61 Lakhs)			
Work in Process	237.51	217.00	247.52
Finished Goods	25.08	101.82	123.53
Stores & Spares	288.73	238.42	155.42
Scrap	59.89	31.75	2.75
(Includes Scrap Stock Rs. 32.53 Lakhs for Job Work at outside Party, previous year Rs. 31.67 Lakhs)			
	<u>848.97</u>	<u>908.39</u>	<u>629.00</u>
<b>Note '9' : TRADE RECEIVABLE</b>			
<b>Current</b>			
Unsecured considered good	571.63	1,105.44	435.57
	<u>571.63</u>	<u>1,105.44</u>	<u>435.57</u>
<b>Note '10' : CASH AND CASH EQUIVALENTS</b>			
Cash in hand	17.72	1.10	57.24
Balances with Banks:			
In Current Accounts	15.37	5.14	2.63
	<u>33.09</u>	<u>6.24</u>	<u>59.87</u>
<b>Note '11' : BANK BALANCES - OTHERS</b>			
Deposits (Held against guarantee)	21.78	14.36	13.66
(deposits are with original maturity of more than 3 months & less than 12 months)			
	<u>21.78</u>	<u>14.36</u>	<u>13.66</u>
<b>Note '12' : CURRENT TAX ASSETS (NET)</b>			
Advance Tax / TDS	17.21	18.05	9.62
Less: Current tax	-	13.10	-
	<u>17.21</u>	<u>4.95</u>	<u>9.62</u>

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note 13: EQUITY SHARE CAPITAL</b>			
<b>Authorized</b>			
70,00,000 (Previous Year : 70,00,000) Equity shares of Rs.10/- each	700.00	700.00	700.00
<b>TOTAL</b>	<b>700.00</b>	<b>700.00</b>	<b>700.00</b>
<b>Issued, Subscribed and paid up</b>			
33,61,595 (Prev. year 33,61,595 ) Equity Shares of Rs. 10/- each fully paid up	336.16	336.16	336.16
<b>TOTAL</b>	<b>336.16</b>	<b>336.16</b>	<b>336.16</b>

**Notes**

**(a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the year :**

Particulars	31st March 2018		31st March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	33,61,595	336.16	33,61,595	336.16
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	<b>33,61,595</b>	<b>336.16</b>	<b>33,61,595.00</b>	<b>336.16</b>

**(b) Equity Shareholders holding more than 5% equity shares along with number of equity shares is given below :**

Name of the Shareholder	31.03.2018		31.03.2017		01.04.2016	
	No. of Shares & %	No. of Shares & %	No. of Shares & %	No. of Shares & %	No. of Shares & %	No. of Shares & %
Sree Gopal Bajoria	3,86,227 11.49%	4,02,412 11.97%	5,38,314 16.01%			
Avinash Bajoria	4,23,013 12.58%	3,10,014 9.22%	4,33,087 12.88%			
Ashutosh Bajoria	2,43,025 7.23%	2,43,025 7.23%	2,88,600 8.59%			
Smt.Madhuri Devi Bajoria	1,08,212 3.22%	1,08,212 3.22%	3,24,637 9.66%			
Rigmadirappa Investment Pvt. Ltd	6,28,800 18.71%	6,28,800 18.71%	6,28,800 18.71%			
Edelweiss Broking Ltd.	37,267 1.11%	1,94,475 5.79%	-			

**(c) Terms/rights attached to equity shares :**

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares 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 remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) The company has allotted 1120532 fully paid Bonus Shares by utilisation of Surplus from Statement of Profit & Loss Account during the last five years ( Issued during FY. 2013-14).

(e) The company does not have any holding/ultimate holding company.

**Note '14': OTHER EQUITY**

Revaluation Surplus	291.79	291.79	295.02
Retained Earnings	1,855.67	1,882.99	1,809.45
Other Comprehensive Income	29.68	81.59	28.74
	<b>2,177.14</b>	<b>2,256.37</b>	<b>2,133.21</b>
<b>Revaluation Surplus</b>			
Balance at the beginning of the year	291.79	295.02	299.88
Less: Transfer to Retained Earnings	-	3.23	4.86
	291.79	291.79	295.02
<b>Retained Earnings</b>			
Balance at the beginning of the year	1,882.99	1,809.45	1,857.38
Add: Transfer from Revaluation Surplus	-	3.23	4.86
Add: Remeasurement of defined benefit plans	(0.60)	(5.65)	-
Add: Deferred tax related to OCI	0.20	1.87	-
Add: Profit/(Loss) for the year	(26.92)	74.09	(52.79)
	1,855.67	1,882.99	1,809.45
Other Comprehensive Income			
Balance at the beginning of the year	81.59	28.74	-
Fair value changes during the year for Equity Instruments	(51.91)	52.85	28.74
	29.68	81.59	28.74
<b>TOTAL OTHER EQUITY</b>	<b>2,177.14</b>	<b>2,256.37</b>	<b>2,133.21</b>

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

<b>PARTICULARS</b>	<b>As at March 31,2018</b>	<b>As at March 31,2017</b>	<b>As at April 1, 2016</b>
<b>Note '15': FINANCIAL LIABILITIES - BORROWINGS</b>			
<b>Non Current</b>			
<b>Unsecured loan</b>			
From related parties-Corporate Bodies (refer note no. 36)	597.68	261.61	368.08
<b>TOTAL NON CURRENT BORROWINGS</b>	<b>597.68</b>	<b>261.61</b>	<b>368.08</b>
<b>Current - Secured</b>			
<b>Working Capital Limits :</b>			
From Bank (repayable on demand)	547.20	341.81	350.81
Working capital limit carry interest @ 8.75% p.a.			
<b>Unsecured Loans</b>			
From Other Corporate Bodies	105.00	371.43	145.00
<b>TOTAL CURRENT BORROWINGS</b>	<b>652.20</b>	<b>713.24</b>	<b>495.81</b>
i) Borrowings from Kotak Mahindra Bank Limited ( Previous year from Central Bank of India) are secured by hypothecation on all existing and future Current Assets and Movable Assets including Stock and Book Debts on first charge basis and equitable mortgage on land and building of the company situated at SP-825, Road No. 14, VKIA, Jaipur and also guaranteed by Shri Avinash Bajoria, Managing Director of the Company and Shri S.G. Bajoria, Promoter of the Company.			
ii) There is no continuing default as on the date of Balance Sheet in repayment of all the above loans mentioned along with interest.			
<b>Note '16': PROVISIONS</b>			
<b>Non Current</b>			
<b>Provisions for Employee Benefits</b>			
Provision for Gratuity	35.65	30.17	20.14
	<b>35.65</b>	<b>30.17</b>	<b>20.14</b>
<b>Current</b>			
Provisions for Employee Benefits			
Provision for Gratuity	8.87	6.90	5.70
Provision for Earned Leave	17.13	15.27	12.53
	<b>26.00</b>	<b>22.17</b>	<b>18.23</b>
<b>Note '17': DEFERRED TAX LIABILITY (NET)</b>			
Deferred Tax Liability			
On temporary difference of Book & Tax Depreciation	59.55	55.72	54.35
Less : Deferred Tax Assets			
Unabsorbed Business/ Depreciation Losses	-	-	27.91
Expenses allowable for tax purpose on payment basis	22.23	23.55	18.14
	<b>22.23</b>	<b>23.55</b>	<b>46.05</b>
<b>Net Deferred Tax Liability</b>	<b>37.32</b>	<b>32.17</b>	<b>8.30</b>
<b>Note '18': TRADE PAYABLES</b>			
<b>Current</b>			
Total outstanding due to micro and small enterprises	261.29	512.28	175.79
Total outstanding due to creditors other than micro and small enterprises	435.47	320.29	86.05
	<b>696.76</b>	<b>832.57</b>	<b>261.84</b>
(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:			
a The principal amount remaining unpaid to supplier as at the end of the year	261.29	512.28	175.79
b Interest due thereon remaining unpaid to supplier as at the end of the year	-	-	-
c Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-	-
d Interest accrued during the year & remaining unpaid at the end of the year	-	-	-
<b>Note '19': OTHER FINANCIAL LIABILITIES</b>			
<b>Current</b>			
Outstanding Financial liabilities	73.06	136.39	74.73
	<b>73.06</b>	<b>136.39</b>	<b>74.73</b>
<b>Note '20': OTHER LIABILITIES</b>			
<b>Current</b>			
Statutory dues towards, excise/VAT/GST/ TDS etc.	6.49	30.69	22.45
Advances From Customers	-	0.11	-
	<b>6.49</b>	<b>30.80</b>	<b>22.45</b>

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

**PARTICULARS**

(Rs. in Lakhs)

	Year ended March 31,2018	Year ended March 31,2017
<b>Note '21' : REVENUE FROM OPERATIONS</b>		
<b>a) Gross Sales/Income from Operations</b>		
Sale of Products (including excise duty)		
Sale of Cylinders	2,615.26	4,581.01
Sale of Valves & Regulators	3,008.66	3,760.21
	<b>5,623.92</b>	<b>8,341.22</b>
Rendering of Services	57.38	44.70
Job Income from Gas Plant	57.38	44.70
Total (a)	<b>5,681.30</b>	<b>8,385.92</b>
<b>b) Other Operating Income</b>		
Sales of Scrap	134.88	239.85
Total (b)	134.88	239.85
<b>TOTAL REVENUE FROM OPERATIONS (A+B)</b>	<b>5,816.18</b>	<b>8,625.77</b>
<b>Note '22' : OTHER INCOME</b>		
Rent Income	9.60	9.60
Interest Income on :		
Bank Deposits	0.66	1.05
Loans to Related Parties	2.30	32.68
Other financial assets	48.18	23.93
<b>TOTAL</b>	<b>60.74</b>	<b>67.26</b>
<b>Note '23' : COST OF MATERIALS CONSUMED</b>		
Opening Stock	319.40	99.78
Add : Purchases	3,729.06	5,569.04
	4,048.46	5,668.82
Less : Closing Stock	237.76	319.40
Less : Sales	11.28	-
<b>TOTAL</b>	<b>3,799.42</b>	<b>5,349.42</b>
<b>Note '24' : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS</b>		
<b>Closing Stock</b>		
Finished Goods	25.08	101.82
Work in process	237.51	217.00
Scrap Stock	59.89	31.75
	<b>322.48</b>	<b>350.57</b>
<b>Less : Opening Stock</b>		
Finished Goods	101.82	123.53
Work in process	217.00	247.53
Scrap Stock	31.75	2.75
	<b>350.57</b>	<b>373.81</b>
<b>NET( INCREASE ) /DECREASE IN STOCK</b>	<b>28.09</b>	<b>23.24</b>
<b>Note '25' : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages & Other Allowances	185.82	168.75
Contribution to Provident and other funds	7.20	6.33
Staff & Labour Welfare Expenses	19.77	12.11
<b>TOTAL</b>	<b>212.79</b>	<b>187.19</b>
<b>Note '26' : FINANCE COSTS</b>		
Interest :		
On Bank Borrowings -Cash Credit Account	41.43	36.18
Others	69.66	96.74
	<b>111.09</b>	<b>132.92</b>
<b>Other Borrowing Cost:</b>		
Loan Syndication Expenses	3.31	4.58
	<b>3.31</b>	<b>4.58</b>
<b>Note '27' : DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation	55.89	45.77
<b>TOTAL</b>	<b>55.89</b>	<b>45.77</b>

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

PARTICULARS	(Rs. in Lakhs)	
	Year ended March 31,2018	Year ended March 31,2017
<b>Note '28' : OTHER EXPENSES</b>		
<b>a) Manufacturing Expenses</b>		
Stores & Spares Consumed (Net of Sales Rs. 1,65,059/- (Previous Year Nil))	608.16	800.36
Power & Fuel	140.63	183.53
<b>Repairs to :</b>		
Plant & Machinery	24.64	16.55
Building & Roads	6.18	17.02
Others	1.35	0.84
ISI Marking Fee	23.19	32.80
Labour Charges	413.60	531.05
	<b>1,217.75</b>	<b>1,582.15</b>
<b>b) Administrative Expenses</b>		
Rent	0.36	0.36
Rates & Taxes	19.88	22.17
Insurance	2.87	2.28
Travelling Expenses	47.46	25.69
Miscellaneous Expenses	42.87	24.23
Telephone & Internet Expense	6.21	7.21
Printing & Stationery	3.57	2.92
Vehicle Running & Maintenance Expenses	11.61	8.62
Service Charges (Others)	20.66	17.30
Filing Fee	0.17	0.07
Listing Fee	2.53	3.19
Conveyance Expenses	7.95	6.73
Legal & Professional Expenses	32.75	20.82
Bank Charges	6.42	4.73
Membership Fee & Subscription	3.59	1.53
ISO Certification Expenses	1.34	0.56
Payments to Auditors :		
- As Statutory Audit	1.25	1.25
- As Tax Audit	0.25	0.25
- Reimbursement of Expenses	0.17	0.18
	<b>211.91</b>	<b>150.09</b>
<b>c) Selling Expenses</b>		
Freight, forwarding & transportation (Net)	122.51	230.54
Rebate & Discount	0.20	1.54
Sales Promotion	8.79	4.07
	<b>131.50</b>	<b>236.15</b>
<b>TOTAL (A+B+C)</b>	<b>1,561.16</b>	<b>1,968.39</b>
<b>Note '29' : EARNING PER SHARE</b>		
Profit after tax	(26.92)	74.09
Weighted average number of equity shares for basic and diluted EPS	33,61,595	33,61,595
Nominal value of ordinary share(INR)	10.00	10.00
Basic earning per share (INR)	(0.80)	2.20
Diluted earning per share (INR)	(0.80)	2.20
	<b>As at 31.03.18</b>	<b>As at 31.03.17</b>
<b>Note 30 : INCOME TAX EXPENSE</b>		
(i) Income tax expenses consist of the following :		
Current income tax	7.07	13.77
Deferred tax expense	5.35	25.74
	<b>12.42</b>	<b>39.51</b>
(ii) Amount recognised in Other Comprehensive Income		

	Year ended 31st March 2018		Year ended 31st March 2017	
	Before Tax	Tax (expenses) /benefits	Before Tax	Tax (expenses) /benefits
A. Items that will not be reclassified to profit or loss				
i. Remeasurement of defined benefit plans	(0.60)	0.20	(5.65)	1.87
ii. Equity Instruments through OCI	(51.91)	-	52.85	-
B. i. Items that will be reclassified to profit or loss	-	-	-	-
ii. Income Tax relating to items that will be re-classified to P&L	-	-	-	-
(iii) Reconciliation of estimated income tax expenses at statutory income tax rate to income tax expenses reported in Statement of Profit and Loss:				

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

PARTICULARS	(Rs. in Lakhs)	
	Year ended March 31,2018	Year ended March 31,2017
Profit before tax	(14.50)	113.60
Applicable tax rate	33.06%	33.06%
Tax expense calculated at applicable rate	4.79	37.57
Effect of Allowances for tax purpose	4.53	25.74
Effect of Non deductible expenses	-	6.37
Effect of tax related to previous years	7.07	0.67
Effect of brought forward losses/unabsorbed depreciation	-	(33.14)
Others	5.61	2.30
Tax expense recognised in Statement of Profit and Loss	12.42	39.51

**(iv) Deferred Tax Disclosure**

Particulars	Net Balance as at 1st April 2017	Recognised in profit and loss	Recognised in OCI	Net Deferred tax assets/ (liabilities)
<b>As at 31st March, 2018</b>				
<b>Deferred tax assets</b>				
Expenses allowable on payment basis	1.49	0.17	-	1.66
Other expenses allowable on payment basis	4.77	(4.77)	-	-
Provision for earned leave	5.04	0.62	-	5.66
Provision for gratuity	12.25	2.46	0.20	14.91
<b>Deferred tax liabilities</b>				
Depreciation	(55.72)	(3.83)	-	(59.55)
<b>Net Deferred tax assets/(liabilities)</b>	<b>(32.17)</b>	<b>(5.35)</b>	<b>0.20</b>	<b>(37.32)</b>
<b>As at 31st March, 2017</b>				
<b>Deferred tax assets</b>				
Unabsorbed depreciation/ business loss	27.91	(27.91)	-	-
Other expenses allowable on payment basis	0.90	0.59	-	1.49
Other items giving rise to temporary differences	4.56	0.21	-	4.77
Provision for earned leave	4.14	0.90	-	5.04
Provision for gratuity	8.54	1.84	1.87	12.25
<b>Deferred tax liabilities</b>				
Depreciation	(54.35)	(1.37)	-	(55.72)
<b>Net Deferred tax assets/(liabilities)</b>	<b>(8.30)</b>	<b>(25.74)</b>	<b>1.87</b>	<b>(32.17)</b>

**Note 31 : LEASES**

**(A) Operating leases as lessee :-**

The company has taken office premises under operating lease cancellable at mutual option.

The rental expenses recognised in Statement of Profit and Loss

a) Minimum rent	0.36	0.36
b) Contingent rent	Nil	Nil

**(B) As Lessor :-**

The company has given office premises under operating lease cancellable at mutual option.

a) Lease receipt recognised in Statement of Profit and Loss	9.60	9.60
b) Contingent rent recognised as income	Nil	Nil

**Note 32: FAIR VALUE MEASUREMENT**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial assets	Fair Value as at			Valuation techniques & key inputs used
	March 31,2018	March 31,2017	April 01, 2016	
Investments in quoted equity instruments at FVTOCI (Fair Value hierarchy - Level 1)	91.34	142.28	89.42	Quoted market price in an active
Investments in quoted instruments at FVTPL	-	-	-	-
Investments in unquoted instruments at FVTPL	-	-	-	-
Investments in unquoted instruments at FVTOCI (Fair Value hierarchy Level-3)	15.03	16.00	16.00	Fair Valuation- Note (b)

There were no changes in the fair value hierarchy levels in the above periods.

(a) Upon the application of IND AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI.

(b) These investments in equity are not significant in value and hence additional disclosures are not presented.

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

Particulars	As at March	As at March	As at April
	31,2018	31,2017	1,2016
	Carrying Amount (Rs./Lakhs)		
<b>Financial Assets held at amortised cost:</b>			
<b>Non Current Financial Assets</b>			
Loans	56.31	56.31	56.31
Others financial assets	136.26	107.37	96.99
<b>Current Financial Assets</b>			
Trade receivables	571.63	1,105.44	435.57
Loans	741.40	334.33	527.36
Others financial assets	197.57	151.26	144.77
Bank balance - others	21.78	14.36	13.66
Cash & cash equivalents	33.09	6.24	59.87
<b>Financial Liabilities held at amortised cost:</b>			
<b>Non Current Financial Liabilities</b>			
Borrowings	597.68	261.61	368.08
<b>Current Financial Liabilities</b>			
Borrowings	652.20	713.24	495.81
Trade payables	696.76	832.57	261.84
Other financial liabilities	73.06	136.39	74.73

**Note 33 : FINANCIAL INSTRUMENTS**

**(A) Capital Management**

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Company monitors capital using a debt equity ratio, which is net debts divided by total equity. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances. Equity comprises all components including other comprehensive income.

	(Rs./Lakhs)		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Cash and Cash Equivalents	33.09	6.24	59.87
Other Bank Balances	21.78	14.36	13.66
Total Cash (a)	54.87	20.60	73.53
Non Current Borrowings	597.68	261.61	368.08
Current Borrowings	652.20	713.24	495.81
Total Borrowings (b)	1,249.88	974.85	863.89
Net Debts (c=b-a)	1,195.01	954.25	790.36
Total Equity	2,513.30	2,592.53	2,469.37
Total Equity and Net Debts	3,708.31	3,546.78	3,259.73
Debt Equity Ratio	47.55%	36.81%	32.01%

There have been no financial breaches in the financial covenants of any borrowings during the year ended 31st March 2018 & 2017.

**(B) Financial risk management policy and objectives**

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company. Company's principal financial liabilities, comprise Borrowings from Banks, trade and other payables. The main purpose of these financial liabilities is to finance Company's operations and plant expansion. Company's principal financial assets include investments, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its Company is exposed to market risk, credit risk and liquidity risk. The Company's Board oversees the management of these risks. The Company's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

The sensitivity analysis in the following sections relate to the position as at 31st March 2018 and 31st March 2017. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

**a) Foreign currency risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company do not have any foreign currency assets/liabilities at the year end, therefore it is not exposed to foreign exchange risk.

**Foreign currency sensitivity**

There is no Foreign Currency Assets and Liabilities as at 31st March, 2018 and 31st March, 2017, hence Sensitivity analysis is not required.

**b) Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will lead to change in interest income and expense for the Company. In order to optimize the Company's position with regards to interest income & expense and to manage the interest risk, the Company performs comprehensive interest risk management by balancing the proportion of fix & variable rate financial instruments.



**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

Particulars	(Rs./Lakhs)	
	As at 31st March 2018	As at 31st March 2017
Fixed rate instruments		
Fixed deposit with Banks	21.78	14.36
Variable rate instruments		
Borrowings	1,249.88	974.85
Sensitivity analysis:		
A change in 50 basis point in interest rate of borrowings at the reporting date would have increase/(decrease)		
Profit or Loss by the amount shown below. This analysis assumes that all other variables, remain constant.		

Particulars	As at 31st March 2018		As at 31st March 2017	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/decrease by 50 basis point	6.25	(6.25)	4.87	(4.87)

**c) Commodity Risk**

Commodity risk is defined as the possibility of financial loss as a result of fluctuation in price of Raw Material/Finished Goods and change in demand of the product and market in which the company operates. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The company forecast annual business plan and execute on monthly business plan. Raw material procurement is aligned to its monthly/annual business plan and inventory position is monitored in accordance with future price trend.

**ii) Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

a) Credit risk on trade receivables is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

At 31st March 2018, the carrying amount of the Company's two (2) most significant customers is Rs. 424.96 Lakhs (as at 31st March 2017: Rs. 988.67 Lakhs (three customers) and as at 1st April 2016: Rs. 389.22 Lakhs (three Customers).

The ageing of trade receivables at the reporting date that were not impaired are as follows :

Particulars	As at 31st March 2018	As at 31st March 2017
Less than 120 days	552.23	1,066.57
Above 120 days to 179 Days	-	23.99
Above 180 days	19.40	14.88
<b>Total</b>	<b>571.63</b>	<b>1,105.44</b>

An impairment analysis is performed at each reporting date on an individual basis for all clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 32. The Company does not hold any collateral as security against the receivables. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of outstanding and the Company's historical experience for customers.

**b) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's Management in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 32.

**Credit risk exposure**

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	March 31, 2018		March 31, 2017	
	Non Current	Current	Non Current	Current
Loans	56.31	741.40	56.31	334.33
Trade Receivables		571.63		1,105.44
Cash equivalents		15.37		5.14
Bank Balances		21.78		14.36
Other financial assets	136.26	197.57	107.37	151.26
<b>Total</b>	<b>192.57</b>	<b>1,547.75</b>	<b>163.68</b>	<b>1,610.53</b>

**iii) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

The table summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments .

Particulars	Within 1 year	>1 years	Total
<b>As at March 31, 2018</b>			
Borrowings	1,035.86	214.02	1,249.88
Other liabilities	77.50	2.05	79.55
Trade and other payable	696.76	-	696.76
<b>As at March 31, 2017</b>			
Borrowings	618.24	356.61	974.85
Other liabilities	165.13	2.06	167.19
Trade and other payable	832.57	-	832.57

**Note 34 : CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at M arch, 31, 2018	As at March, 31, 2017	As at April , 1, 2016
<b>A Contingent liabilities</b>			
a) No provision is considered necessary for disputed Sales tax, Excise and Income tax which are under various stage of proceedings as given below:			
(i) Sales tax demand	96.11	60.53	15.04
Adjustment/paid their against	96.11	60.53	15.04
(ii) Excise demand	-	45.19	-
Deposit their against	-	1.88	-
(iii) Income tax	-	10.62	8.47
Adjustment/paid their against	-	10.62	2.63
b) Outstanding guarantees given by banker on behalf of the company	10.00	20.00	10.00
Margin their against	21.78	13.29	10.64
c) Claims against the company not acknowledged as debts			
(i) Penalty by Competition commission of India	-	230.85	230.85
Deposit their against	-	-	23.08
<b>B Commitments</b>			
Estimated amount of contract remaining to be executed towards capital accounts	Nil	Nil	Nil

**Note 35 : EMPLOYEES BENEFIT**

**A. Defined Contribution Plans**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Contribution to provident fund recognised in Statement of Profit and Loss	3.39	3.07
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**B. Defined Benefit Plan**

**I) (I) Gratuity**

In accordance with the provisions of Payment of Gratuity Act, 1972, the company has defined benefit plan which provides for gratuity payment. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the year of employment with the company. The gratuity plan is a unfunded plan.

These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary risk:

- (i) Investment risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- (ii) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
- (iii) Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- (iv) Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2018 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**Assumptions:**

The principal assumptions used for the purposes of the actuarial valuations are given below:

Discount Rate	7.75%	7.50%
Future Salary growth rate	5.00%	5.00%
Rate of Return on Plan Assets	N.A.	N.A.
Expected Average remaining working lives of employees in no. of years	11.90	12.10
Mortality table used	Indian Assured Lives Mortality (2006-08) Ultimate	

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

	(Rs./Lakhs)	
	As at M arch, 31, 2018	As at March, 31, 2017
The details of actuarial valuation in respect of Gratuity liability are given below:		
<b>a) Projected benefit Obligation at beginning of the year</b>	37.07	25.84
Interest Cost	2.87	1.94
Current Service Cost	3.98	3.64
Actuarial (Gain)/Loss	0.61	5.65
Benefits paid	-	-
<b>Projected benefit Obligation at end of the year</b>	<b>44.53</b>	<b>37.07</b>
<b>b) Amount recognised in the Balance Sheet:</b>		
Projected benefit Obligation at end of the year	44.53	37.07
Fair Value of Plan Assets as at year end	-	-
<b>Net (Asset)/Liability recognized in the Balance Sheet</b>	<b>44.53</b>	<b>37.07</b>
<b>c) Cost of the defined benefit plan for the year:</b>		
Current Service Cost	2.87	1.94
Interest Cost	3.98	3.64
Past Service Cost	-	-
<b>Components of defined benefit cost recognised in the Statement of Profit &amp; Loss</b>	<b>6.85</b>	<b>5.58</b>
Remeasurement on the net defined benefit liability:		
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(0.78)	1.43
Experience Adjustment (gain)/ loss for Plan Liabilities	1.39	4.22
Components of defined benefit costs recognised in Other Comprehensive Income	0.61	5.65
<b>Total cost of the defined benefit plan for the year</b>	<b>7.46</b>	<b>11.23</b>
<b>d) Experience Adjustment</b>		
Present value of defined benefit obligation	44.53	37.07
Fair Value of plan assets	-	-
Balance Sheet (Liability)/ Asset	44.53	37.07
P&L (Income)/ expenses	6.85	5.58
Experience adjustment on plan liabilities (gain)/ loss	1.39	4.22
Experience adjustment on plan assets gain/ (loss)	-	-
Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:		
Discount rate - 1% increase	(41.32)	(34.24)
Discount rate - 1% decrease	48.16	40.30
Salary Growth rate - 1% increase	48.22	40.34
Salary Growth rate - 1% decrease	(41.21)	(34.15)
Withdrawal rate - 1% increase	45.11	37.54
Withdrawal rate - 1% decrease	(43.88)	(36.55)
In the above table, positive figures indicate increase in the liability and negative figures indicate decrease in the liability.		
II) Compensated absence liability recognised as expense for the year is Rs. 1.86 Lakhs (Previous Year Rs. 2.73 Lakhs). The above is based on actuarial valuation report. The report considers assumptions with respect to discount rates, salary escalation, retirement age, mortality, rate of leaving service, leave avaiement pattern, disability and other relevant factors. the method used is Projected unit Credit Method.		

**Note 36 : RELATED PARTY DISLOSURES**

i) i) List of Related Parties	
a) Key Management Personnel	Sh. Avinash Bajoria-Managing Director, Smt. Preetanjali Bajoria - Wholetime Director, Sh Raghunandan Jalan - Director, Sh. Pratap Kumar Mondal - Director
b) Relative of Key Managerial Personnel	Sh. Ashutosh Bajoria
c) Associate Companies	M/s. Shipra Towers Pvt. Ltd., M/s Beetal Tie-up Pvt Ltd., M/s Agribiotech Industries Limited
d) Enterprise in which key managerial and their relatives have influence	M/s. Beekay Niryat Ltd., M/s. Anshu Venture Pvt. Ltd., M/s. Cairo Niryat Pvt. Ltd., M/s. Heaven Marketing Pvt. Ltd., M/s. Protect Vanijya Pvt. Ltd., M/S. Mayawati Trading Co. Pvt. Ltd , M/s. Ganesh Kripa Land Developers Pvt. Ltd., M/s Rigmadirappa Investment Pvt Ltd., M/s Mangal Kamna Agency Pvt Ltd., M/s. Swayambhu Construction Pvt. Ltd., M/s. Rameshwar Properties Pvt. Ltd, M/s. Goyal Complex Pvt. Ltd

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

**ii) Transaction with Related Parties**

Description	Relatives of Key Managerial Personnel	Associates	Enterprise in which key management personnel and their relatives have influence`
<b>Transaction during FY 2017-18</b>			
Interest Expenses			39.52
Rent Income		9.60	
Rent Expenses		0.36	
Interest Income			2.30
Unsecured Loan Taken including interest net of TDS			597.57
Unsecured Loan Taken-repaid			261.50
Loans given including interest net of TDS		0.30	52.07
Loans given-received back		28.22	-
Balance as on 31.03.2018			
Unsecured Loan Taken		-	597.68
Loans given		-	59.00
Rent Receivable including Taxes & net of TDS		20.37	-
<b>Transaction during FY 2016-17</b>			
Interest Expenses			61.63
Rent Income		9.60	
Rent Expenses		0.36	-
Interest Income		13.87	18.81
Unsecured Loan Taken including interest net of TDS			515.96
Unsecured Loan Taken-repaid			622.44
Loans given including interest net of TDS		3.65	216.48
Loans given-received back		69.37	419.02
Balance as on 31.03.2017			
Unsecured Loan Taken		-	261.61
Loans given		27.91	6.93
Rent Receivable including Taxes & net of TDS		10.07	-
		<b>Year Ended March 31, 2018</b>	<b>Year Ended March 31, 2017</b>

**iii) Remuneration to Managing Director/ Key Management Personnel**

Salary and allowances	54.00	44.32
Value of perquisites	3.65	4.65
	57.65	48.97

The above does not include Gratuity and Leave Encashment benefits since the same is computed actuarial for all employees and the amount attributable to the managerial person cannot be ascertained separately.

**Note 37 : SEGMENT INFORMATION**

The Company is engaged in the business of manufacturing cylinders, valves, refilling of LPG Gas. The operating segments have been identified based on the different business areas which the Chief Operating Decision Maker (CODM) reviews and assess the Company's performances.

The Company's reportable segments and segment information is presented below:

	Cylinders	Valve & Regulator	LPG Gas	Total
Revenue				
External	2,750.14 (4,820.86)	3,008.66 (3,760.21)	57.38 (44.70)	5,816.19 (8,625.77)
Internal		185.49 (256.59)		185.49 (256.59)
Total Revenue	2,750.14 (4,820.86)	3,194.15 (4,016.80)	57.38 (44.70)	6,001.68 (8,882.36)
Segment-wise expenditure	2,824.12 (4,740.44)	3,044.18 (3,883.48)	22.29 (15.75)	5,890.59 (8,639.67)
Result				
Segment results	(73.98) (80.42)	149.97 (133.32)	35.09 (28.95)	111.09 (242.69)
Unallocated Expenditure				71.92 (58.85)
Unallocated income				9.60 (9.60)
Profit before Interest and Taxes				48.76 (193.44)
Interest & Bank Charges				114.40 (137.50)
Interest Income				51.14

				(57.66)
Profit before Tax				(14.50)
				(113.60)
Current Tax				7.07
				(13.77)
Deferred Tax				5.35
				(25.74)
Profit after Tax				(26.92)
				(74.09)
<b>Other Information</b>				
Segment Assets	862.25	1,044.61	34.61	1,941.47
	(1,399.85)	(1,037.05)	(35.70)	(2,472.60)
Unallocated Assets				2,696.99
				(2,179.05)
Total				4,638.46
				(4,651.65)
Segment Liabilities	203.40	522.88	1.76	728.04
	(305.01)	(626.32)	-	(931.33)
Unallocated Liabilities				1,397.12
				(1,127.79)
Total				2,125.16
				(2,059.12)
Capital Expenditure	69.70	-	-	69.70
	(24.64)	(21.20)	-	(45.84)
Unallocated Capital expenditure				121.45
				(93.07)
Total				191.15
				(138.91)
Depreciation	15.02	21.50	1.45	37.97
	(12.84)	(20.97)	(1.52)	(35.33)
Unallocated Depreciation				17.92
				(10.44)
Total				55.89
				(45.77)
Non Cash Expenses other than dep.				

**Note 38 : FIRST TIME ADOPTION OF IND AS**

**i) Transition to Ind AS**

These financial statements, for the year ended 31st March, 2018, are the first financial statements the company has prepared in accordance with Ind AS. For the periods upto and including the year ended 31st March 2017, the company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for the year ended on 31st March, 2018, together with comparative data as at and for the year ended 31st March 2017 as described in significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April 2016, the company's date of transition to Ind AS. An explanation of how the transition from previous GAAP has affected the company's financial position and financial performance is set out in following table and notes.

**ii) Exemptions availed on first time adoption of Ind AS**

**a) Deemed cost of Property, Plant and Equipment**

Ind AS 101 permits a first time adopter to continue with carrying value of all its Property, Plant & equipment as recognised in the financial statement as at the date of the transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the company has elected to measure all of its PPE at their previous GAAP carrying value.

**b) Deemed cost of investment in associates**

The Company opted to measure its investment in associates as per previous GAAP carrying value i.e. at cost. Ind AS 101 provided a one time option to a first time adopter either to measure investment in associates as per previous GAAP carrying value or at fair value on the date of transition.

**c) Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity shares other than investment in associates.

**d) Leases**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease in substance or legal form. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has done the assessment of lease in contracts based on conditions in prevailing as at the date of transition as per transition provision of Ind AS 101.

**e) Estimates**

Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

The company made estimate for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:  
- Investment in equity instruments carried at FVOCI

**Notes to the Standalone Financial Statement for the year ended 31st March, 2018**

iii) Reconciliation under Ind AS 101

a) Reconciliation of Equity

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2017		
			Indian GAAP	Ind AS Adjustments	Ind AS
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment		746.35	-	746.35
	(b) Capital work-in-progress		78.65	-	78.65
	(c) Financial Assets				
	(i) Investments	1	611.17	79.59	690.76
	(ii) Loans	2	-	56.31	56.31
	(iii) Others financial assets		107.37	-	107.37
	(d) Other non-current assets	2	4.02	70.52	74.54
	<b>Total non-current assets</b>		<b>1,547.56</b>	<b>206.42</b>	<b>1,753.98</b>
(2)	<b>Current assets</b>				
	(a) Inventories		908.39	-	908.39
	(b) Financial Assets				
	(i) Trade receivables		1,105.44	-	1,105.44
	(ii) Cash and Cash Equivalents	2	20.60	(14.36)	6.24
	(iii) Bank balance other than (ii) above	2	-	14.36	14.36
	(iv) Loans	2	528.05	(193.72)	334.33
	(v) Others financial assets	2	-	151.26	151.26
	(c) Current Tax Assets (Net)	3	-	4.95	4.95
	(d) Other current assets	3	474.44	(101.74)	372.70
	<b>Total current assets</b>		<b>3,036.92</b>	<b>(139.25)</b>	<b>2,897.67</b>
	<b>TOTAL ASSETS</b>		<b>4,584.48</b>	<b>67.17</b>	<b>4,651.65</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital		336.16	-	336.16
	(b) Other Equity	1	2,219.46	36.91	2,256.37
	<b>Total equity</b>		<b>2,555.62</b>	<b>36.91</b>	<b>2,592.53</b>
(2)	<b>LIABILITIES</b>				
	(a) Financial Liabilities				
	(i) Borrowings		261.61	-	261.61
	(b) Provisions	3	-	30.17	30.17
	(c) Deferred Tax Liability (Net)	3	54.25	(22.08)	32.17
	<b>Total non-current liabilities</b>		<b>315.86</b>	<b>8.09</b>	<b>323.95</b>
(3)	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings		713.24	-	713.24
	(ii) Trade payables		832.57	-	832.57
	(iii) Other financial liabilities	2	-	136.39	136.39
	(b) Other current liabilities	2	167.19	(136.39)	30.80
	(c) Provisions	3	-	22.17	22.17
	<b>Total current liabilities</b>		<b>1,713.00</b>	<b>22.17</b>	<b>1,735.17</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,584.48</b>	<b>67.17</b>	<b>4,651.65</b>
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment		731.85	-	731.85
	(b) Capital work-in-progress		-	-	-
	(c) Financial Assets				
	(i) Investments	1	609.16	28.74	637.90
	(ii) Loans	2	-	56.31	56.31
	(iii) Others financial assets		96.99	-	96.99
	(d) Other non-current assets	2	8.91	33.32	42.23
	<b>Total non-current assets</b>		<b>1,446.91</b>	<b>118.37</b>	<b>1,565.28</b>
(2)	<b>Current assets</b>				
	(a) Inventories		629.00	-	629.00
	(b) Financial Assets				
	(i) Trade receivables		435.57	-	435.57
	(ii) Cash and Cash Equivalents	2	73.53	(13.66)	59.87
	(iii) Bank balance other than (ii) above	2	-	13.66	13.66
	(iv) Loans	2	730.63	(203.27)	527.36
	(v) Others financial assets	2	-	144.77	144.77
	(c) Current Tax Assets (Net)	3	-	9.62	9.62
	(d) Other current assets	3	408.37	(54.55)	353.82

	<b>Total current assets</b>		<b>2,277.10</b>	<b>(103.43)</b>	<b>2,173.67</b>
	<b>TOTAL ASSETS</b>		<b>3,724.01</b>	<b>14.94</b>	<b>3,738.95</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital		336.16	-	336.16
	(b) Other Equity	1	2,139.38	(6.17)	2,133.21
	<b>Total equity</b>		<b>2,475.54</b>	<b>(6.17)</b>	<b>2,469.37</b>
	<b>LIABILITIES</b>				
(2)	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings		368.08	-	368.08
	(b) Provisions	3	-	20.14	20.14
	(c) Deferred Tax Liability (Net)	3	25.55	(17.25)	8.30
	<b>Total non-current liabilities</b>		<b>393.63</b>	<b>2.89</b>	<b>396.52</b>
(3)	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings		495.81	-	495.81
	(ii) Trade payables		261.84	-	261.84
	(iii) Other financial liabilities	2	-	74.73	74.73
	(b) Other current liabilities	2	97.19	(74.74)	22.45
	(c) Provisions	3	-	18.23	18.23
	<b>Total current liabilities</b>		<b>854.84</b>	<b>18.22</b>	<b>873.06</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,724.01</b>	<b>14.94</b>	<b>3,738.95</b>

Notes on reconciliation of Equity from previous GAAP to Ind AS:-

- 1) Investments have been valued at fair value through other comprehensive income, resulting into increase in value of Investments.
- 2) Certain assets and liabilities are regrouped as financial/non financial assets or liabilities as per Ind AS requirements.
- 3) Adjustments related to preliminary expenses, unrecognised liability of gratuity & earned leaves & tax impact thereon has been carried out as per Ind

**b) Reconciliation of Statement of Profit and Loss**

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2017		
		Indian GAAP	Adjustments	IND AS
I Revenue from Operations	4	7,757.85	867.92	8,625.77
II Other Income	5	72.79	(5.53)	67.26
III Total Revenue(I+II)		7,830.64	862.39	8,693.03
IV EXPENSES				
Cost of Material Consumed		5,349.42	-	5,349.42
Purchase of Trading Goods		-	-	-
Changes in inventories of finished goods		23.24	-	23.24
Excise duty	4	-	867.92	867.92
Employee benefit expense	5	178.88	8.31	187.19
Finance cost	6	142.24	(4.74)	137.50
Depreciation and amortisation expense		45.77	-	45.77
Other expense	5	1,968.54	(0.15)	1,968.39
Total expense		7,708.09	871.34	8,579.43
V Profit before exceptional items and tax (III-IV)		122.55	(8.95)	113.60
VI Exceptional items		-	-	-
VII Profit before tax (V-VI)		122.55	(8.95)	113.60
Tax expense :				
Current tax		13.77	-	13.77
Deferred tax	2	28.69	(2.95)	25.74
VIII Profit of the year		80.09	(6.00)	74.09
IX Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	1,3	-	49.07	49.07
(ii) Items that will be reclassified to profit or loss		-	-	-
Total Comprehensive Income(VIII+IX)		80.09	43.07	123.16

**Notes on reconciliation of Statement of Profit and Loss from previous GAAP to Ind AS**

**1 Fair Valuation of Investment in equity shares**

Under previous GAAP, long term investments were measured at cost less diminution in value other than temporary as of each reporting date. Under Ind AS, these investments are required to be measured at Fair value through Other Comprehensive Income (FVTOCI) or Profit or Loss (FVTPL) and the company has elected to measure it at FVTOCI. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

**2 Other deferred tax adjustments**

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

**3 Remeasurement of post employment benefits obligation**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss under the previous GAAP.

- 4 Under the previous GAAP, excise duty on sale of goods was reduced from sales to present the revenue from operations. Whereas, under Ind AS, this excise duty is included in the revenue from operations and corresponding expenses is included as part of total expenses. The change does not affect total equity as at April 01, 2016 and March 31, 2017, profit before tax or total profit for the year ended March 31, 2017.
- 5 Adjustment for prior period, preliminary expenses and unprovided Gratuity and Leave encashment has been done as per Ind AS requirements.
- 6 Reclassification of certain items as per Ind AS requirements has been carried out.
- c) Other comprehensive income: Under Previous GAAP, the Company had not presented other comprehensive income separately. Hence, it has reconciled Previous GAAP profit or loss to total comprehensive income as per Ind AS.
- d) Statement of Cash flows: The transition from Previous GAAP to Ind AS did not have a material impact on statement of cash flows as the Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing & financing activities.

**39 STANDARDS ISSUED BUT NOT YET EFFECTIVE**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition: • Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors • Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

- 40 The previous year's figures have been regrouped, rearranged and reclassified to conform to current year Ind-AS presentation requirements.

**In terms of our report of even date attached**

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Prahalad Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Suresh Jain)**

CFO



## INDEPENDENT AUDITOR'S REPORT

To the Members of

Rajasthan Cylinders and Containers Ltd

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Rajasthan Cylinders and Containers Ltd (herein referred to as "the holding company") and its associates (the holding company and its associates together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### 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 including other comprehensive income, consolidated statement of changes in equity and consolidated Cash Flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the other accounting principles generally accepted in India. 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 of 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 consolidated 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.

We have taken into the 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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Consolidated financial statements.

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

### Basis for Qualified Opinion

- (i) **The Holding Company has not provided for Bad debts (Non Current Assets- Loans) of Rs. 56.31 Lakhs from a body corporate M/s Ankur Drugs and Pharma Limited which is under liquidation.**

**Total impact of the above paragraph (i) resulted in understatement of loss for the year ended 31<sup>st</sup> March 2018 by Rs. 56.31 lakhs, overstatement of other equity as at 31<sup>st</sup> March 2018 by Rs. 56.31 lakhs and overstatement of Non Current Financial assets-Loans for the year end 31<sup>st</sup> March 2018 by Rs. 56.31 lakhs.**

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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 Company as at March 31, 2018, and their consolidated loss, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

### Other Matters

- (a) We did not audit the financial statements of two associates whose financial statements have been prepared under previous GAAP and includes the Group's share of net loss of Rs. 1.41 Lakhs for the year ended March 31, 2018, as considered in the consolidated Ind As financial statements. These financial statements have been audited by other auditors whose reports 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 these associates, and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the report of other auditors.

### Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account for the purpose of preparation of the consolidated financial statements.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- (f) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, and taken on record by the Board of Directors of the holding company and the report of the statutory auditors of the associate companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) The qualification relating to other matters connected there with are stated in the Basis for Qualified Opinion paragraph above.

- (h) 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
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014 in our opinion and to the best of our information and according to the explanation given to us:
- i. The consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group. Refer Note No. 34 to the consolidated financial statements.
  - ii. The Group does not have any long term contracts including derivative, contracts for which there were any material foreseeable losses.
  - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associates incorporated in India.

Place: Jaipur  
Date: 30/05/2018

For S.S. SURANA & CO.  
Chartered Accountants  
(FRN. 001079C)  
Sd/-  
**(Pralhad Gupta)**  
Partner  
Membership No. 074458

**Annexure - A to the Independent Auditors' Report on Consolidated Financial Statements of Rajasthan Cylinders and Containers Ltd**

**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 2018, we have audited the internal financial controls over financial reporting of Rajasthan Cylinders and Containers Limited (herein after referred to as 'the Holding Company') and its Associate 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 associate 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 the respective 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 internal financial controls over financial reporting of the Company and its associates incorporated in India, 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 internal financial controls system over financial reporting of the Company and its associates incorporated in India.

**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 associate 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far it relates to two associates out of three associate companies, which are companies incorporated in India, is based on corresponding reports of auditors of such companies incorporated in India.

Place: Jaipur  
Date: 30/05/2018

For S.S. SURANA & CO.  
Chartered Accountants  
(FRN. 001079C)  
Sd/-  
**(Pralhad Gupta)**  
Partner  
Membership No. 074458

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018**

(Rs. in Lakhs)

Particulars	Notes	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>I. ASSETS</b>				
<b>Non-Current Assets</b>				
a. Property, Plant and Equipment	3.00	901.19	746.35	731.85
b. Capital Work in Progress	3.00	59.08	78.65	-
c. Financial Assets				
(i) Investments	4.00	1105.79	1285.13	1377.19
(ii) Loans	5.00	56.31	56.31	56.31
(iii) Other Financial Assets	6.00	136.26	107.37	96.99
d. Other Non-Current Assets	7.00	97.99	74.54	42.23
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2356.62</b>	<b>2348.35</b>	<b>2304.57</b>
<b>Current Assets</b>				
a. Inventories	8.00	848.97	908.39	629.00
b. Financial Assets				
(i) Trade receivables	9.00	571.63	1105.44	435.57
(ii) Cash and Cash Equivalents	10.00	33.09	6.24	59.87
(iii) Bank balances other than (ii) above	11.00	21.78	14.36	13.66
(iv) Loans	5.00	741.40	334.33	527.36
(v) Other Financial Assets	6.00	197.57	151.26	144.77
c. Current Tax Assets (Net)	12.00	17.21	4.95	9.62
d. Other Current Assets	7.00	315.13	372.70	353.82
<b>TOTAL CURRENT ASSETS</b>		<b>2746.78</b>	<b>2897.67</b>	<b>2173.67</b>
<b>TOTAL ASSETS</b>		<b>5103.40</b>	<b>5246.02</b>	<b>4478.24</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a. Equity Share Capital	13.00	336.16	336.16	336.16
b. Other Equity	14.00	2642.08	2850.74	2872.50
<b>TOTAL EQUITY</b>		<b>2978.24</b>	<b>3186.90</b>	<b>3208.66</b>
<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
a. Financial Liabilities				
(i) Borrowings	15.00	597.68	261.61	368.08
b. Provisions	16.00	35.65	30.17	20.14
c. Deferred Tax Liabilities (Net)	17.00	37.32	32.17	8.30
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>670.65</b>	<b>323.95</b>	<b>396.52</b>
<b>Current Liabilities</b>				
a. Financial liabilities				
(i) Borrowings	15.00	652.20	713.24	495.81
(ii) Trade payables	18.00	696.76	832.57	261.84
(iii) Other financial liabilities	19.00	73.06	136.39	74.73
b. Other Current liabilities	20.00	6.49	30.80	22.45
c. Provisions	16.00	26.00	22.17	18.23
<b>TOTAL CURRENT LIABILITIES</b>		<b>1454.51</b>	<b>1735.17</b>	<b>873.06</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5103.40</b>	<b>5246.02</b>	<b>4478.24</b>

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date attached

For S.S.SURANA & CO.

Chartered Accountants

FRN 001079C

Sd/-

(Pralhad Gupta)

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

For and on behalf of the Board of Directors

Sd/-

(Avinash Bajoria)

Managing Director

DIN: 01402573

Sd/-

(Anisha Jain)

Company Secretary

Sd/-

(Preetanjali Bajoria)

Whole Time Director

DIN: 01102192

Sd/-

(Suresh Jain)

CFO

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

(Rs. in Lakhs)

PARTICULARS	NOTES	Year ended March 31,2018	Year ended March 31,2017
<b>INCOME</b>			
I Revenue from Operations	21.00	5816.18	8625.77
II Other Income	22.00	60.74	67.26
<b>III TOTAL INCOME (I+II)</b>		<b>5876.92</b>	<b>8693.03</b>
<b>IV EXPENSES</b>			
<b>Cost of material consumed</b>	<b>23.00</b>	3799.42	5349.42
Changes in inventories of finished goods & work in process	24.00	28.09	23.24
Excise duty on sales		119.67	867.92
Employee benefits expense	25.00	212.79	187.19
Finance costs	26.00	114.40	137.50
Depreciation and amortisation expense	27.00	55.89	45.77
Other expenses	28.00	1561.16	1968.39
<b>TOTAL EXPENSES</b>		<b>5891.42</b>	<b>8579.43</b>
<b>V Profit/ (Loss) before share of profit/(loss) of Associates and tax</b>		(14.50)	113.60
VI Share of profit/(loss) of Associates		(132.75)	(16.85)
<b>VII Profit/(Loss) before tax</b>		(147.25)	96.75
<b>VIII Tax Expense</b>			
a Current Tax	30.00	7.07	13.77
b Deferred Tax	30.00	5.35	25.74
<b>IX Profit/(Loss) for the year</b>		<b>(159.67)</b>	<b>57.24</b>
<b>X Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
i. Remeasurement of defined benefit plans		(0.60)	(5.65)
ii. Equity Instruments through OCI		(51.91)	52.85
iii. Share of OCI of Associates		3.33	(1.92)
iv. Income Tax relating to items that will not be re-classified to P&L		0.20	1.87
<b>B. i. Items that will be reclassified to profit or loss</b>			
ii. Income Tax relating to items that will be re-classified to P&L		-	-
iii. Share of OCI of Associates		-	-
<b>Total Other Comprehensive Income</b>		<b>(48.98)</b>	<b>47.15</b>
<b>XI Total Comprehensive Income for the year (IX+X)</b>		<b>(208.66)</b>	<b>104.39</b>
<b>XII Earnings Per Equity Share (Par value INR 10/- per share)</b>			
Basic (Rs.)	29.00	(4.75)	1.70
Diluted (Rs.)		(4.75)	1.70

The accompanying notes are an integral part of the consolidated financial statements

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Pralhad Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Suresh Jain)**

CFO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. in Lakhs)

**A. Equity Share Capital**

<b>Balance as at April 01, 2016</b>	336.16
Changes in equity share capital during the year	-
<b>Balance as at March 31,2017</b>	336.16
Changes in equity share capital during the year	-
<b>Balance as at March 31,2018</b>	336.16

**B. Other Equity**

Particulars	Capital reserve	Retained Earnings	Other Comprehensive Income- Reserve for Equity Instruments	Revaluation Surplus	Total Other Equity
<b>Opening balance as at April 01, 2017</b>	<b>2.34</b>	<b>2475.02</b>	<b>81.59</b>	<b>291.79</b>	<b>2850.74</b>
Transfer to Retained earnings	-	-	-	-	-
Profit/ (Loss) for the year	-	(26.93)	-	-	(26.93)
Share of Associates profit/(loss)	-	(132.75)	-	-	(132.75)
Share of Associates OCI	-	3.33	-	-	3.33
Other Comprehensive income for the year	-	(0.60)	(51.91)	-	(52.51)
Deferred tax related to OCI	-	0.20	-	-	0.20
<b>Closing balance as at March 31, 2018</b>	<b>2.34</b>	<b>2318.27</b>	<b>29.68</b>	<b>291.79</b>	<b>2642.08</b>

Particulars	Capital reserve	Retained Earnings	Other Comprehensive Income- Reserve for Equity Instruments	Revaluation Surplus	Total Other Equity
<b>Opening balance as at April 01, 2016</b>	<b>2.34</b>	<b>2546.40</b>	<b>28.74</b>	<b>295.02</b>	<b>2872.50</b>
Transfer to Retained earnings	-	3.23	-	(3.23)	0.00
Profit/ (Loss) for the year	-	74.09	-	-	74.09
Share of Associates profit/(loss)	-	(16.85)	-	-	(16.85)
Share of Associates OCI	-	(1.92)	-	-	(1.92)
Add: Ind AS effect on Associates	-	(126.15)	-	-	(126.15)
Other Comprehensive income for the year	0.00	(5.65)	52.85	0.00	47.20
Deferred tax related to OCI	0.00	1.87	0.00	0.00	1.87
<b>Closing balance as at March 31, 2017</b>	<b>2.34</b>	<b>2475.02</b>	<b>81.59</b>	<b>291.79</b>	<b>2850.74</b>

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants

FRN 001079C

Sd/-

**(Pralad Gupta)**

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

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

Sd/-

**(Avinash Bajoria)**

Managing Director

DIN: 01402573

Sd/-

**(Anisha Jain)**

Company Secretary

Sd/-

**(Preetanjali Bajoria)**

Whole Time Director

DIN: 01102192

Sd/-

**(Suresh Jain)**

CFO

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2018		For the year ended 31st March, 2017	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before tax	(147.25)		96.75	
<b>Adjustments for:</b>				
Depreciation and amortisation expense	55.89		45.77	
Finance cost	114.40		137.50	
Interest income	51.14		57.66	
Actuarial gain/(losses) reclassified to OCI	(0.60)		(5.65)	
Provision for Gratuity	7.45		11.24	
Provision for Earn Leave Payment	1.86		2.74	
Share of profit/loss of Associates	132.75	215.64	16.85	362.86
<b>Operating profit / (loss) before working capital changes</b>		<b>215.64</b>		<b>362.86</b>
<b>Movement in working capital:</b>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	59.42		(279.39)	
Trade receivables	533.81		(669.87)	
Current Financial Assets- Loans	(407.07)		193.03	
Current Financial Assets- Others	(53.73)		(7.19)	
Other current assets	45.31		(14.21)	
Non current Financial Assets- Others	(28.89)		(10.38)	
Other non-current assets	(23.45)		(32.31)	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Trade payables	(135.81)		570.73	
Current Financial liabilities- Others	(63.33)		61.66	
Other Current liabilities	(24.31)		8.35	
Other long-term liabilities	0.00		0.00	
Short-term provisions	0.00	(98.05)	0.00	(179.58)
		<b>117.59</b>		<b>183.28</b>
Cash flow from exceptional items		-		-
Cash generated from operations		<b>117.59</b>		<b>183.28</b>
Net income tax (paid) / refunds		(7.07)		(13.78)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>110.52</b>		<b>169.49</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on Property, Plant and Equipment, including capital work in progress(net)	(191.16)		(138.92)	
Sale/ Transfer of Property, Plant and Equipment	0.00		0.00	
Investment in Shares	(2.00)		0.00	
Interest received	(51.14)	(244.30)	(57.66)	(196.58)
		<b>(244.30)</b>		<b>(196.58)</b>
Cash flow from exceptional items		0.00		0.00
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(244.30)</b>		<b>(196.58)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings	336.07		0.00	
Repayment of long-term borrowings	0.00		(106.47)	
Proceeds from Short Term Borrowings	(266.43)		226.43	
Net increase / (decrease) in working capital borrowings	205.39		(9.00)	
Finance cost	(114.40)	160.63	(137.50)	(26.54)
		<b>160.63</b>		<b>(26.54)</b>
Cash flow from exceptional items		0.00		0.00
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>160.63</b>		<b>(26.54)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>26.85</b>		<b>(53.63)</b>
Cash and cash equivalents at the beginning of the year		6.24		59.87
<b>Cash and cash equivalents at the end of the year</b>		<b>33.09</b>		<b>6.24</b>
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
<b>Cash and cash equivalents as per Balance Sheet (Refer Note 10)</b>		<b>33.09</b>		<b>6.24</b>

In terms of our report of even date attached

For S.S.SURANA & CO.

Chartered Accountants

FRN 001079C

Sd/-

(Pralhad Gupta)

Partner

M. NO. 074458

Place : JAIPUR

Date : 30/05/2018

For and on behalf of the Board of Directors

Sd/-

(Avinash Bajoria)

Managing Director

DIN: 01402573

Sd/-

(Anisha Jain)

Company Secretary

Sd/-

(Preetanjali Bajoria)

Whole Time Director

DIN: 01102192

Sd/-

(Suresh Jain)

CFO

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

**Note 1: GROUP INFORMATION**

Rajasthan Cylinders And Containers Ltd. is a public limited company incorporated on 24th December, 1980 having its registered office at SP-825, Road No.14 Vishwakarma Industrial Area, Jaipur , Rajasthan, India . The Company Corporate Identification Number is L28101RJ1980PLC002140. The shares of the company are listed on BSE Ltd.

The Consolidated Financial Statements comprises the company and its associates (collectively "the Group" and individually "Group companies").

Group is primarily engaged in the business of manufacturing and selling LPG Cylinders, Valves & Regulators, renders refilling services of LPG Gas and Extra Neutral Alcohol, Rectified Spirit, Country Liquor & Indian made Foreign Liquor.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of Compliance**

Upto the year ended March 31, 2017, the Group has prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the first Ind AS financial statements except for two immaterial associate companies Shipra Towers Private Limited and Beetel Tie up Private Limited of which financial statements have been prepared as per previous GAAP. The date of transition to Ind AS is April 1, 2016. Refer Note: 40 for the details of first-time adoption exemptions availed by the Group.

In accordance with Ind As 101, the Group has presented the reconciliation from previous GAAP to Ind AS of total equity as at April 1,2016 & March 31, 2017 and total comprehensive income for March 31, 2017 (Refer Note 40).

**2.2 Basis of Preparation of Accounts**

The consolidated financial statements are prepared under historical cost basis except for certain assets and liabilities that are measured at fair values.

**2.2.1 Basis of Consolidation**

The Consolidated financial statements comprise the financial statements of the Company and its associates as at March 31, 2018.

**Details of Associates considered in consolidation:**

Associate	Country of Incorporation	% of shareholding as at 31.03.2018
1 Agribiotech Industries Ltd	India	34.89%
2 Beetel Tie-up Pvt Ltd	India	23.30%
3 Shipra Towers Pvt. Ltd.	India	49.80%

However, out of the above mentioned Companies, financial statements of two companies Shipra Towers Private Limited and Beetel Tie Up Private Limited has been prepared using previous GAAP and the same has been considered for the purpose of consolidation.

**Associates**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate is eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

**2.3 Functional and Presentation Currency**

The consolidated financial statements are prepared in Indian Rupees ("INR") which is the Group's presentation currency and the functional currency for all its operations. All financial information presented in INR has been rounded to the nearest lakhs with two decimal places unless stated otherwise.

**2.4 Use of Estimates**

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to carrying value of assets and liabilities include useful lives of Property, plant and equipment , impairment of Property, plant and equipment , investments , provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**2.5 Classification of Assets and Liabilities as Current and Non Current**



All Assets and Liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Group and their realization in cash and cash equivalent, the Group has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

## **2.6 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government. Revenue is reduced for estimated customers returns, rebates and other similar allowances.

The Group has assumed that recovery of excise duty flows to the Group on its own account and thus, revenue includes excise duty as applicable.

However sales tax/ value added tax (VAT)/ Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

### **Sale of Goods**

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

### **Rendering of Services**

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

### **Other Operating Income**

Other operating income is recognised on accrual basis.

### **Interest income**

Interest income on Financial Assets is recognised on time proportion basis using the effective interest rate method.

### **Dividend income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

### **Rental Income**

Rental income is recognised on accrual basis in accordance with agreement.

## **2.7 Inventories**

Raw Material, Stores & Spares including packing material, Work In Progress, Finished Goods and Scrap are valued at the lower of cost and net realisable value.

In respect of Raw materials, Stores & Spares including Packing material: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In respect of Finished goods and work in progress: Cost includes cost of materials, labour and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

## **2.8 Property, Plant & Equipment**

Property, plant and equipment are initially recognized at cost including the cost directly attributable for bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

The Group has opted for an exemption provided by the Indian Accounting Standard (Ind As)-101. Accordingly the carrying value for all Property, plant and Equipment as recognized in the financial statements, as at the date of transition to Ind AS, measured as per previous GAAP are used as deemed cost as at the date of transition.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

### **Depreciation**

#### **Rajasthan Cylinders and Containers Limited (Parent)**

Depreciation is provided, pro rata for the period of use, on straight line method over the estimated useful lives of the property, plant & equipment except leasehold land as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **Agribiotech Industries Limited (Associate)**

Depreciation is provided, pro rata for the period of use, on Written down value method over the estimated useful lives of the property, plant & equipment except leasehold land as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## **2.9 Leases**

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease.

**Group as a lessee:** Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation.

**Group as a lessor:** Rental income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

**2.10 Impairment of Non Financial Assets**

The carrying amount of non- financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expenses in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

**2.11 Financial Instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and loss.

**2.11.1 Financial assets**

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**i) Classification of Financial Assets**

**a) Debt Instrument at amortised cost :** 'Debt instrument' is measured at the amortised cost if both the following conditions are met: (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

**b) Debt Instrument at FVTOCI:** Debt instruments are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments included within the FVTOCI category are measured at fair value with all changes recognized in the Other Comprehensive Income.

**c) Debt Instrument at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**d) Equity Instruments measured at FVTOCI or FVTPL:** All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss.

**e) Equity instrument in Associates: Equity investment in associates are accounted at Equity Method.**

ii) Derecognition: The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

iii) **Impairment of financial assets:** The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**2.11.2 Financial Liabilities and Equity instruments**

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liabilities and an equity instrument.

**i) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**ii) Financial Liabilities**

A) Financial liabilities are classified as either “financial liabilities at fair value through profit or loss” or “other financial Liabilities. (a) Financial liabilities are classified as “financial liabilities at fair value through profit or loss” if they are held for trading or if they are designated as financial liabilities at fair value through Statement of profit and loss. These are measured initially at fair value with subsequent changes recognized in profit or loss. Fair value is determined as per Ind AS 113 ‘fair value measurement’. (b) Other financial liabilities, including loans and borrowing, are initially measured at fair value, net of directly attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the EIR method.

**B) Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit and loss.

**2.11.3 Offsetting of financial instruments**

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

**2.12 Foreign Exchange Transactions/Translations**

Foreign Currency transactions are accounted for at the rates of exchange prevailing on the date of the transaction. Monetary asset and liability outstanding at the year end are translated at the exchange rate prevailing at the year end and gain or loss is recognised in statement of profit and loss. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rate at date of initial transactions, are not retranslated.

**2.13 Employee Benefits**

Group's contribution for the year paid / payable to defined contribution plans are charged to the Statement of profit and loss.

**Defined benefit plans**

Group’s liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

As required by Ind AS 19 'Employee Benefits', the discount rate used to arrive at the present value of the defined benefits, obligations is based on the Indian government security yields prevailing as at the Balance Sheet date that have maturity date equivalent to the tenure of the obligation.

**2.14 Taxes on Income**

Tax expenses comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent it relates to the items recognised directly in equity or in OCI.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the recognised amounts and there is intention either to settle the asset and liability on a net basis.

**Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in statement of profit and loss, other comprehensive income or directly in equity as applicable. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities .

**2.15 Provision, Contingent Liabilities & Contingent Assets**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in financial statements and are disclosed in notes when it is virtually certain that economic benefits will inflow to the Group.

**2.16 Segment Reporting**

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

- Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.
- Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under “Un-allocated Corporate expenses”.

**2.17 Earnings Per Share**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.18 Cash Flow Statement**

Cash flows are reported using the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effects of transactions of a 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 flows. The cash flows from operating, investing and financing activities of the Group are segregated.

**2.19 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.20 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The borrowing costs other than attributable to qualifying assets are recognised in the profit or loss in the period in which they incurred.

**2.21 Fair Value Measurement**

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

- Level 1 - Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the Consolidate Financial Statement for the year ended 31st March, 2018

(Rs. in Lakhs)

3 (i) PROPERTY, PLANT AND EQUIPMENT

Particulars	Lease Hold Land	Building	Plant & Equipment	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
<b>GROSS CARRYING AMOUNT</b>								
As at 01.04.2016	300.81	268.99	1,413.61	22.14	36.82	30.90	51.64	2,124.91
Addition	-	-	45.84	3.55	0.94	0.35	9.59	60.27
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	300.81	268.99	1,459.45	25.69	37.76	31.25	61.23	2,185.18
Addition	-	130.05	10.62	20.55	5.28	44.22	-	210.72
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2018	300.81	399.04	1,470.07	46.24	43.04	75.47	61.23	2,395.90
<b>ACCUMULATED DEPRECIATION</b>								
As at 01.04.2016	37.27	167.07	1,107.28	16.81	34.09	16.70	13.84	1,393.06
Depreciation for the year	-	7.21	27.14	2.17	0.88	1.79	6.58	45.77
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	37.27	174.28	1,134.42	18.98	34.97	18.49	20.42	1,438.83
Depreciation for the year	-	9.85	26.91	5.35	1.85	4.83	7.10	55.89
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2018	37.27	184.13	1,161.33	24.33	36.82	23.32	27.52	1,494.72
<b>NET CARRYING AMOUNT</b>								
As at 01.04.2016	263.54	101.92	306.33	5.33	2.73	14.20	37.80	731.85
As at 31.03.2017	263.54	94.71	325.03	6.71	2.79	12.76	40.81	746.35
As at 31.03.2018	263.54	214.92	308.74	21.90	6.22	52.16	33.71	901.19

(3.1) In accordance with Ind AS transition provisions, the Company has opted to consider previous GAAP carrying value of Property, Plant and Equipment as on transition date i.e. 01.04.2016 .

(3.2) Property, Plant and Equipment of the Company carry first charge in favor of the banker as security for banking facilities availed. For details of security refer note no. 15.

(3.3) Building includes office space given to an associate under operating lease for which net carrying amount is not ascertainable.

3 (ii) : CAPITAL WORK IN PROGRESS

Particulars	Lease Hold Land	Building	Plant & Equipment	Office Equipments	Computer	Furniture & Fixtures	Vehicles	Total
As at 01.04.2016	-	-	-	-	-	-	-	-
Addition	-	78.65	-	-	-	-	-	78.65
Disposals	-	-	-	-	-	-	-	-
As at 31.03.2017	-	78.65	-	-	-	-	-	78.65
Addition	-	51.40	59.08	-	-	-	-	110.48
Disposals	-	130.05	-	-	-	-	-	130.05
As at 31.03.2018	-	-	59.08	-	-	-	-	59.08

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '4' : FINANCIAL ASSETS -INVESTMENTS</b>			
<b>Non Current Investments</b>			
<b>(A) Investment in Associate Companies - Equity Shares (Fully paid)</b>			
<b>Unquoted (Accounted using Equity Method)</b>			
Beetel Tie-up Pvt Ltd	0.59	-	-
23300 Equity Shares (Prev. yrs. 3300 Equity Shares ) of Rs 10/- each			
Agribiotech Industries Ltd	998.83	1126.85	1271.77
5316500 Equity Shares (Prev. yrs. 5316500 Equity Shares ) of Rs 10/- each			
Shipra Towers Pvt. Ltd.	-	-	-
4980 Equity Shares (Prev. yrs. 4980 Equity Shares ) of Rs 10/- each			
	<u>999.42</u>	<u>1126.85</u>	<u>1271.77</u>
<b>(B) Other Investments</b>			
<b>Instruments at fair value through other comprehensive income (FVTOCI)</b>			
<b>Equity Shares (fully paid)</b>			
<b>i) Unquoted (Trade)</b>			
Rajasthan Synthetic Industries Ltd.	0.01	0.01	0.01
300 Equity Shares (Prev.yrs. 300 Equity Shares)			
TTG Industries Ltd.	0.05	0.05	0.05
5000 Equity Shares (Prev.yr. 5000 Equity Shares)			
Heaven Marketing Pvt Ltd	9.24	0.58	0.58
11500 Equity Shares (Prev. yrs. 11500 Equity Shares )of Rs 10/- each			
Mayawati Trading Co. Pvt Ltd	1.70	0.90	0.90
9000 Equity Shares (Prev. yrs. 9000 Equity Shares ) of Rs 10/- each			
Goyal Complex Pvt. Ltd	0.01	10.46	10.46
820 Equity Shares (Prev. yrs. 820 Equity Shares ) of Rs 10/- each			
Anshuventure Pvt. Ltd.	2.03	2.00	2.00
2000 Equity Shares (Prev. yrs.2000 Equity Shares ) of Rs. 100/- each			
Mangal Kamna Agencies Pvt. Ltd.	1.99	2.00	2.00
2000 Equity Shares (Prev. yrs.2000 Equity Shares ) of Rs. 100/- each			
	<u>15.03</u>	<u>16.00</u>	<u>16.00</u>
<b>ii) Quoted (Trade)</b>			
Beekay Niryat Ltd.	90.38	138.69	85.83
709400 Equity Shares (Prev.yrs. 709400 Equity Share ) of Rs. 10/- each			
Filament India Ltd.	0.89	3.56	3.56
434500 Equity Shares (Prev. yrs. 434500 Equity Shares ) of Rs. 10/- each			
Kashyap Radiant Ltd.	-	-	-
1633 Equity Shares (Prev.yrs. 1633 Equity Shares)			
LCC Infotech Ltd.	0.05	0.02	0.02
5500 Equity Shares (Prev.yrs. 5500 Equity Shares)			
The Mysore Paper Mills Ltd.	0.02	0.01	0.01
300 Equity Shares (Prev.yrs. 300 Equity Shares)of Rs. 10/-each			
	<u>91.34</u>	<u>142.28</u>	<u>89.42</u>
	<u>106.37</u>	<u>158.28</u>	<u>105.42</u>
<b>B (i+ii)</b>	<u>1105.79</u>	<u>1285.13</u>	<u>1377.19</u>
<b>Total (A+B)</b>			
Aggregate amount of quoted investments	91.34	142.28	89.42
Market value of quoted investments	91.34	142.28	89.42
Aggregate amount of unquoted investments	1014.45	1142.85	1287.77
Investments carried using equity method	999.42	1126.85	1271.77
Investments carried at fair value through OCI	106.37	158.28	105.42
<b>Note '5' : FINANCIAL ASSETS - LOANS</b>			
<b>Non Current</b>			
(Unsecured, Considered Good)			
To Other Corporate Bodies	56.31	56.31	56.31
	<u>56.31</u>	<u>56.31</u>	<u>56.31</u>
(Non Current loans include loan of Rs. 56.31 Lakhs recoverable from M/S Ankur Drugs and Pharma Ltd including interest or Rs. 6.31 Lakhs upto 31/03/2012. The honorable Bombay High Court has passed an order dated 08/07/2013 for winding up of this Company. The Company has submitted its claim of Rs. 73.17 Lakhs including interest till 31.01.2014 to the official liquidator. The accounting entries for write off of loan including interest or recognition of income will be done in the year of final recovery from the official Liquidator.)			
<b>Current</b>			
(Unsecured, Considered Good)			
To Related Parties- Corporate Bodies (refer note no. 36)	59.00	34.84	303.10
To Other Corporate Bodies	682.40	299.49	224.26
	<u>741.40</u>	<u>334.33</u>	<u>527.36</u>

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '6' : FINANCIAL ASSETS - OTHERS</b>			
<b>Non Current</b>			
(Unsecured, Considered Good)			
Security Deposits	136.26	107.37	96.99
	<b>136.26</b>	<b>107.37</b>	<b>96.99</b>
<b>Current</b>			
<b>(Unsecured, Considered Good)</b>			
Share Application money pending allotment	-	2.00	-
Rent Receivable	20.37	10.07	-
Interest Receivable on FD	0.76	1.59	1.34
Interest Receivable - others	1.54	10.89	2.29
Security Deposits	144.73	95.34	123.44
Employees Advances	30.17	31.37	17.70
	<b>197.57</b>	<b>151.26</b>	<b>144.77</b>
<b>Note '7' : OTHER ASSETS</b>			
<b>Non Current</b>			
Other Receivables	0.00	1.29	1.29
Excise Duty/ Sales Tax under protest	97.99	73.25	40.94
	<b>97.99</b>	<b>74.54</b>	<b>42.23</b>
<b>Current</b>			
GST/Excise Duty/Sales Tax receivable	33.26	245.01	204.66
Prepayment Expenses	4.75	2.60	9.95
Income Tax/VAT/ Excise Duty refundable	199.79	-	-
Advances to Suppliers & Services Providers	77.33	125.09	139.21
	<b>315.13</b>	<b>372.70</b>	<b>353.82</b>
<b>Note '8' : INVENTORIES</b>			
Raw Material	237.76	319.40	99.78
(Includes Stock Rs. Nil in Transit, previous year Rs. 25.61 Lakhs)			
Work in Process	237.51	217.00	247.52
Finished Goods	25.08	101.82	123.53
Stores & Spares	288.73	238.42	155.42
Scrap	59.89	31.75	2.75
(Includes Scrap Stock Rs. 32.53 Lakhs for Job Work at outside Party, previous year Rs. 31.67 Lakhs)			
	<b>848.97</b>	<b>908.39</b>	<b>629.00</b>
<b>Note '9' : TRADE RECEIVABLE</b>			
<b>Current</b>			
Unsecured considered good	571.63	1105.44	435.57
	<b>571.63</b>	<b>1105.44</b>	<b>435.57</b>
<b>Note '10' : CASH AND CASH EQUIVALENTS</b>			
Cash in hand	17.72	1.10	57.24
<b>Balances with Banks:</b>			
In Current Accounts	15.37	5.14	2.63
	<b>33.09</b>	<b>6.24</b>	<b>59.87</b>
<b>Note '11' : BANK BALANCES - OTHERS</b>			
Deposits (Held against guarantee)	21.78	14.36	13.66
(deposits are with original maturity of more than 3 months & less than 12 months)			
	<b>21.78</b>	<b>14.36</b>	<b>13.66</b>
<b>Note '12' : CURRENT TAX ASSETS (NET)</b>			
Advance Tax / TDS	17.21	18.05	9.62
Less: Current tax	0.00	13.10	0.00
	<b>17.21</b>	<b>4.95</b>	<b>9.62</b>
<b>Note 13: EQUITY SHARE CAPITAL</b>			
<b>Authorized</b>			
70,00,000 (Previous Year : 70,00,000) Equity shares of Rs.10/- each	700.00	700.00	700.00
TOTAL	700.00	700.00	700.00
<b>Issued, Subscribed and paid up</b>			
33,61,595 (Previous year 33,61,595 ) Equity Shares of Rs. 10/- each fully paid up	336.16	336.16	336.16
<b>TOTAL</b>	<b>336.16</b>	<b>336.16</b>	<b>336.16</b>



**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

**Notes**

(a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the year :

Particulars	(Rs. in Lakhs)			
	31st March 2018		31st March 2017	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	33,61,595	336.16	33,61,595	336.16
Issued during the year	-	0.00	-	0.00
Bought back during the year	-	0.00	-	0.00
Outstanding at the end of the year	<u>33,61,595</u>	<u>336.16</u>	<u>33,61,595</u>	<u>336.16</u>

(b) Equity Shareholders holding more than 5% equity shares along with number of equity shares is given below :

Name of the Shareholder	31.03.2018		31.03.2017		01.04.2016	
	No. of Shares	& %	No. of Shares	& %	No. of Shares	& %
Sree Gopal Bajoria	3,86,227	11.49%	4,02,412	11.97%	5,38,314	16.01%
Avinash Bajoria	4,23,013	12.58%	3,10,014	9.22%	4,33,087	12.88%
Ashutosh Bajoria	2,43,025	7.23%	2,43,025	7.23%	2,88,600	8.59%
Smt.Madhuri Devi Bajoria	1,08,212	3.22%	1,08,212	3.22%	3,24,637	9.66%
Rigmadirappa Investment Pvt. Ltd	6,28,800	18.71%	6,28,800	18.71%	6,28,800	18.71%
Edelweiss Broking Ltd.	37,267	1.11%	1,94,475	5.79%	-	0.00%

(c) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares 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 remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) The company has allotted 1120532 fully paid Bonus Shares by utilisation of Surplus from Statement of Profit & Loss Account during the last five years ( Issued during FY. 2013-14).

(e) The company does not have any holding/ultimate holding company.

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '14': OTHER EQUITY</b>			
Capital reserve	2.34	2.34	2.34
Revaluation Surplus	291.79	291.79	295.02
Retained Earnings	2318.27	2475.02	2546.40
Other Comprehensive Income	29.68	81.59	28.74
	<u>2642.08</u>	<u>2850.74</u>	<u>2872.50</u>
<b>Capital reserve</b>	<b>2.34</b>	<b>2.34</b>	<b>2.34</b>
Revaluation Surplus			
Balance at the beginning of the year	291.79	295.02	299.88
Less: Transfer to Retained Earnings	0.00	3.23	4.86
A	<u>291.79</u>	<u>291.79</u>	<u>295.02</u>
<b>Retained Earnings</b>			
Balance at the beginning of the year	2475.02	2546.40	2048.33
Add: Transfer from Revaluation Surplus	0.00	3.23	4.86
Add: Remeasurement of defined benefit plans	(0.60)	(5.65)	0.00
Add: Deferred tax related to OCI	0.20	1.87	0.00
Add: Profit/(Loss) for the year	(26.92)	74.09	185.53
Add: Ind AS effect of Associates	0.00	(126.15)	307.68
Share of profit/(loss) from Associates	(132.75)	(16.85)	0.00
Share of OCI from Associates	3.33	(1.92)	0.00
B	<u>2318.27</u>	<u>2475.02</u>	<u>2546.40</u>
<b>Other Comprehensive Income</b>			
Balance at the beginning of the year	81.59	28.74	0.00
Fair value changes during the year for Equity Instruments	(51.91)	52.85	28.74
C	<u>29.68</u>	<u>81.59</u>	<u>28.74</u>
<b>TOTAL OTHER EQUITY</b>	<u>2642.08</u>	<u>2850.74</u>	<u>2872.50</u>

Notes to the Consolidated Financial Statement for the year ended 31st March, 2018

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '15': FINANCIAL LIABILITIES - BORROWINGS</b>			
<b>Non Current</b>			
<b>Unsecured loan</b>			
From related parties-Corporate Bodies (refer note no. 36)	597.68	261.61	368.08
<b>TOTAL NON CURRENT BORROWINGS</b>	<b>597.68</b>	<b>261.61</b>	<b>368.08</b>
<b>Current</b>			
<b>Secured</b>			
<b>Working Capital Limits :</b>			
From Bank (repayable on demand)	547.20	341.81	350.81
Working capital limit carry interest @ 8.75% p.a.			
<b>Unsecured Loans</b>			
From Other Corporate Bodies	105.00	371.43	145.00
<b>TOTAL CURRENT BORROWINGS</b>	<b>652.20</b>	<b>713.24</b>	<b>495.81</b>
i) Borrowings from Kotak Mahindra Bank Limited ( Previous year from Central Bank of India) are secured by hypothecation on all existing and future Current Assets and Movable Assets including Stock and Book Debts on first charge basis and equitable mortgage on land and building of the company situated at SP-825, Road No. 14, VKIA, Jaipur and also guaranteed by Shri Avinash Bajoria, Managing Director of the Company and Shri S.G. Bajoria, Promoter of the Company.			
ii) There is no continuing default as on the date of Balance Sheet in repayment of all the above loans mentioned along with interest.			
<b>Note '16': PROVISIONS</b>			
<b>Non Current</b>			
Provisions for Employee Benefits			
Provision for Gratuity	35.65	30.17	20.14
	<b>35.65</b>	<b>30.17</b>	<b>20.14</b>
<b>Current</b>			
<b>Provisions for Employee Benefits</b>			
Provision for Gratuity	8.87	6.90	5.70
Provision for Earned Leave	17.13	15.27	12.53
	<b>26.00</b>	<b>22.17</b>	<b>18.23</b>
<b>Note '17': DEFERRED TAX LIABILITY (NET)</b>			
<b>Deferred Tax Liability</b>			
On temporary difference of Book & Tax Depreciation	59.55	55.72	54.35
	<b>59.55</b>	<b>55.72</b>	<b>54.35</b>
<b>Less : Deferred Tax Assets</b>			
Unabsorbed Business/ Depreciation Losses	0.00	0.00	27.91
Expenses allowable for tax purpose on payment basis	22.23	23.55	18.14
	22.23	23.55	46.05
<b>Net Deferred Tax Liability</b>	<b>37.32</b>	<b>32.17</b>	<b>8.30</b>
<b>Note '18': TRADE PAYABLES</b>			
<b>Current</b>			
Total outstanding due to micro and small enterprises	261.29	512.28	175.79
Total outstanding due to creditors other than micro and small enterprises	435.47	320.29	86.05
	<b>696.76</b>	<b>832.57</b>	<b>261.84</b>

(i) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a The principal amount remaining unpaid to supplier as at the end of the year	261.29	512.28	175.79
b Interest due thereon remaining unpaid to supplier as at the end of the year	0.00	0.00	0.00
c Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	0.00	0.00	0.00
d Interest accrued during the year & remaining unpaid at the end of the year	0.00	0.00	0.00

Notes to the Consolidated Financial Statement for the year ended 31st March, 2018

PARTICULARS	(Rs. in Lakhs)		
	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>Note '19': OTHER FINANCIAL LIABILITIES</b>			
<b>Current</b>			
Outstanding Financial liabilities	73.06	136.39	74.73
	<b>73.06</b>	<b>136.39</b>	<b>74.73</b>
<b>Note '20': OTHER LIABILITIES</b>			
<b>Current</b>			
Statutory dues towards, excise/VAT/GST/ TDS etc.	6.49	30.69	22.45
Advances From Customers	0.00	0.11	0.00
	<b>6.49</b>	<b>30.80</b>	<b>22.45</b>
		<b>Year ended March31, 2018</b>	<b>Year ended March31, 2017</b>
<b>Note '21' : REVENUE FROM OPERATIONS</b>			
<b>a) Gross Sales/Income from Operations</b>			
Sale of Products (including excise duty)			
Sale of Cylinders		2615.26	4581.01
Sale of Valves & Regulators		3008.66	3760.21
		<b>5623.92</b>	<b>8341.22</b>
<b>Rendering of Services</b>			
Job Income from Gas Plant		57.38	44.70
		<b>57.38</b>	<b>44.70</b>
<b>Total (a)</b>		<b>5681.30</b>	<b>8385.92</b>
<b>b) Other Operating Income</b>			
Sales of Scrap		134.88	239.85
<b>Total (b)</b>		<b>134.88</b>	<b>239.85</b>
<b>TOTAL REVENUE FROM OPERATIONS (A+B)</b>		<b>5816.18</b>	<b>8625.77</b>
<b>Note '22' : OTHER INCOME</b>			
Rent Income		9.60	9.60
Interest Income on :			
Bank Deposits		0.66	1.05
Loans to Related Parties		2.30	32.68
Other financial assets		48.18	23.93
<b>TOTAL</b>		<b>60.74</b>	<b>67.26</b>
<b>Note '23' : COST OF MATERIALS CONSUMED</b>			
Opening Stock		319.40	99.78
Add : Purchases		3729.06	5569.04
		<b>4048.46</b>	<b>5668.82</b>
Less : Closing Stock		237.76	319.40
Less : Sales		11.28	0.00
<b>TOTAL</b>		<b>3799.42</b>	<b>5349.42</b>
<b>Note '24' : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS</b>			
<b>Closing Stock</b>			
Finished Goods		25.08	101.82
Work in process		237.51	217.00
Scrap Stock		59.89	31.75
		<b>322.48</b>	<b>350.57</b>
<b>Less : Opening Stock</b>			
Finished Goods		101.82	123.53
Work in process		217.00	247.53
Scrap Stock		31.75	2.75
		<b>350.57</b>	<b>373.81</b>
<b>NET( INCREASE ) /DECREASE IN STOCK</b>		<b>28.09</b>	<b>23.24</b>
<b>Note '25' : EMPLOYEE BENEFIT EXPENSES</b>			
Salaries, Wages & Other Allowances		185.82	168.75
Contribution to Provident and other funds		7.20	6.33
Staff & Labour Welfare Expenses		19.77	12.11
<b>TOTAL</b>		<b>212.79</b>	<b>187.19</b>

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

	(Rs. in Lakhs)	
	Year ended March 31, 2018	Year ended March 31, 2018
<b>Note '26' : FINANCE COSTS</b>		
<b>Interest :</b>		
On Bank Borrowings -Cash Credit Account	41.43	36.18
Others	69.66	96.74
	<u>111.09</u>	<u>132.92</u>
<b>Other Borrowing Cost:</b>		
Loan Syndication Expenses	3.31	4.58
	<u>3.31</u>	<u>4.58</u>
<b>TOTAL</b>	<b><u>114.40</u></b>	<b><u>137.50</u></b>
<b>Note '27' : DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation	55.89	45.77
<b>TOTAL</b>	<b><u>55.89</u></b>	<b><u>45.77</u></b>
<b>Note '28' : OTHER EXPENSES</b>		
<b>(a) Manufacturing Expenses</b>		
Stores & Spares Consumed (Net of Sales Rs. 1,65,059/- (Previous Year Nil))	608.16	800.36
Power & Fuel	140.63	183.53
<b>Repairs to :</b>		
Plant & Machinery	24.64	16.55
Building & Roads	6.18	17.02
Others	1.35	0.84
ISI Marking Fee	23.19	32.80
Labour Charges	413.60	531.05
<b>TOTAL</b>	<b><u>1217.75</u></b>	<b><u>1582.15</u></b>
<b>(b)Administrative Expenses</b>		
Rent	0.36	0.36
Rates & Taxes	19.88	22.17
Insurance	2.87	2.28
Travelling Expenses	47.46	25.69
Miscellaneous Expenses	42.87	24.23
Telephone & Internet Expense	6.21	7.21
Printing & Stationery	3.57	2.92
Vehicle Running & Maintenance Expenses	11.61	8.62
Service Charges (Others)	20.66	17.30
Filing Fee	0.17	0.07
Listing Fee	2.53	3.19
Conveyance Expenses	7.95	6.73
Legal & Professional Expenses	32.75	20.82
Bank Charges	6.42	4.73
Membership Fee & Subscription	3.59	1.53
ISO Certification Expenses	1.34	0.56
<b>Payments to Auditors :</b>		
- As Statutory Audit	1.25	1.25
- As Tax Audit	0.25	0.25
- Reimbursement of Expenses	0.17	0.18
	<u>211.91</u>	<u>150.09</u>
<b>(c) Selling Expenses</b>		
Freight, forwarding & transportation (Net)	122.51	230.54
Rebate & Discount	0.20	1.54
Sales Promotion	8.79	4.07
	<u>131.50</u>	<u>236.15</u>
<b>TOTAL</b>	<b><u>1561.16</u></b>	<b><u>1968.39</u></b>
<b>Note '29' : EARNING PER SHARE</b>		
Profit after tax	(159.67)	57.24
Weighted average number of equity shares for basic and diluted EPS	33,61,595	33,61,595
Nominal value of ordinary share(INR)	10.00	10.00
Basic earning per share (INR)	(4.75)	1.70
Diluted earning per share (INR)	(4.75)	1.70

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

**Note 30 : INCOME TAX EXPENSE**

(Rs. In Lakhs)

(i) Income tax expenses consist of the following :

Particulars	As at March 31,2018	As at March 31,2017
Current income tax	7.07	13.77
Deferred tax expense	5.35	25.74
	<b>12.42</b>	<b>39.51</b>

(ii) Amount recognised in Other Comprehensive Income

Particulars	Year ended 31st March 2018		Year ended 31st March 2017	
	Before Tax	Tax (expenses)/ benefits	Before Tax	Tax (expenses)/ benefits
A. Items that will not be reclassified to profit or loss				
i. Remeasurement of defined benefit plans	(0.60)	0.20	(5.65)	1.87
ii. Equity Instruments through OCI	(51.91)	-	52.85	0.00
B. i. Items that will be reclassified to profit or loss	-	-	-	-
ii. Income Tax relating to items that will be re-classified to P&L	-	-	-	-

(iii) Reconciliation of estimated income tax expenses at statutory income tax rate to income tax expenses reported in Statement of Profit and Loss:

Particulars	As at March 31,2018	As at March 31,2017
Profit before tax	(14.50)	113.60
Applicable tax rate	33.06%	33.06%
Tax expense calculated at applicable rate	(4.79)	37.57
Effect of Allowances for tax purpose	4.53	25.74
Effect of Non deductible expenses	-	6.37
Effect of tax related to previous years	7.07	0.67
Effect of brought forward losses/unabsorbed depreciation	-	(33.14)
Others	5.61	2.30
<b>Tax expense recognised in Statement of Profit and Loss</b>	<b>12.42</b>	<b>39.51</b>

(iv) Deferred Tax Disclosure

As at 31st March, 2018

Particulars	Net Balance as at 1st April 2017	Recognised in profit and loss	Recognised in OCI	Net Deferred tax assets/ (liabilities)
<b>Deferred tax assets</b>				
Expenses allowable on payment basis	1.49	0.17	0.00	1.66
Other expenses allowable on payment basis	4.77	(4.77)	0.00	0.00
Provision for earned leave	5.04	0.62	0.00	5.66
Provision for gratuity	12.25	2.46	0.20	14.91
<b>Deferred tax liabilities</b>				
Depreciation	(55.72)	(3.83)	0.00	(59.55)
<b>Net Deferred tax assets/(liabilities)</b>	<b>(32.17)</b>	<b>(5.35)</b>	<b>0.20</b>	<b>(37.32)</b>

As at 31st March, 2017

Particulars	Net Balance as at 1st April 2016	Recognised in profit and loss	Recognised in OCI	Net Deferred tax assets/ (liabilities)
<b>Deferred tax assets</b>				
Unabsorbed depreciation/ business loss	27.91	(27.91)	0.00	0.00
Other expenses allowable on payment basis	0.90	0.59	0.00	1.49
Other items giving rise to temporary differences	4.56	0.21	0.00	4.77
Provision for earned leave	4.14	0.90	0.00	5.04
Provision for gratuity	8.54	1.84	1.87	12.25
<b>Deferred tax liabilities</b>				
Depreciation	(54.35)	(1.37)	0.00	(55.72)
<b>Net Deferred tax assets/(liabilities)</b>	<b>(8.30)</b>	<b>(25.74)</b>	<b>1.87</b>	<b>(32.17)</b>

Notes to the Consolidated Financial Statement for the year ended 31st March, 2018

(Rs. In Lakhs)

**Note 31 : LEASES**

**(A) Operating leases as lessee :-**

The company has taken office premises under operating lease cancellable at mutual option.

The rental expenses recognised in Statement of Profit and Loss

a) Minimum rent	0.36	0.36
b) Contingent rent	Nil	Nil

**(B) As Lessor :-**

The company has given office premises under operating lease cancellable at mutual option.

a) Lease receipt recognised in Statement of Profit and Loss	9.60	9.60
b) Contingent rent recognised as income	Nil	Nil

**Note 32: FAIR VALUE MEASUREMENT**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial assets	Fair Value as at			Valuation techniques & key inputs used
	March 31,2018	March 31, 2017	April 01, 2016	
Investments in quoted equity instruments at FVTOCI (Fair Value hierarchy - Level 1)	91.34	142.28	89.42	Quoted market price in an active market
Investments in quoted instruments at FVTPL	0.00	0.00	0.00	-
Investments in unquoted instruments at FVTPL	0.00	0.00	0.00	-
Investments in unquoted instruments at FVTOCI (Fair Value hierarchy Level-3)	15.03	16.00	16.00	Fair Valuation Note (b)

There were no changes in the fair value hierarchy levels in the above periods.

(a) Upon the application of IND AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI.

(b) These investments in equity are not significant in value and hence additional disclosures are not presented.

Fair values for financial assets and financial liabilities carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
	Carrying Amount	Carrying Amount	Carrying Amount
<b>Financial Assets held at amortised cost:</b>			
<b>Non Current Financial Assets</b>			
Loans	56.31	56.31	56.31
Others financial assets	136.26	107.37	96.99
<b>Current Financial Assets</b>			
Trade receivables	571.63	1105.44	435.57
Loans	741.40	334.33	527.36
Others financial assets	197.57	151.26	144.77
Bank balance - others	21.78	14.36	13.66
Cash & cash equivalents	33.09	6.24	59.87
<b>Financial Liabilities held at amortised cost:</b>			
<b>Non Current Financial Liabilities</b>			
Borrowings	597.68	261.61	368.08
<b>Current Financial Liabilities</b>			
Borrowings	652.20	713.24	495.81
Trade payables	696.76	832.57	261.84
Other financial liabilities	73.06	136.39	74.73

**Note 33 : FINANCIAL INSTRUMENTS**

**(A) Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Group monitors capital using a debts equity ratio, which is net debts divided by total equity. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances. Equity comprises all components including other comprehensive income.

	As at March 31,2018	As at March 31,2017	As at April 1,2016
Cash and Cash Equivalents	33.09	6.24	59.87
Other Bank Balances	21.78	14.36	13.66
Total Cash (a)	54.87	20.60	73.53
Non Current Borrowings	597.68	261.61	368.08
Current Borrowings	652.20	713.24	495.81
Total Borrowings (b)	1249.88	974.85	863.89
Net Debts (c=b-a)	1195.01	954.25	790.36
Total Equity	2978.24	3186.90	3208.66
Total Equity and Net Debts	4173.25	4141.15	3999.02
Debt Equity Ratio	40.12%	29.94%	24.63%

There have been no financial breaches in the financial covenants of any borrowings during the year ended 31st March 2018 & 2017.

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

**(B) Financial risk management policy and objectives**

The key objective of the Group's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Group. Group's principal financial liabilities, comprise Borrowings from Banks, trade and other payables. The main purpose of these financial liabilities is to finance Group's operations and plant expansion. Group's principal financial assets include investments, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Group is exposed to market risk, credit risk and liquidity risk. The Group's Board oversees the management of these risks. The Group's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance to the Group's Board that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

The sensitivity analysis in the following sections relate to the position as at 31st March 2018 and 31st March 2017. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

**a) Foreign currency risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group do not have any foreign currency assets/liabilities at the year end, therefore it is not exposed to foreign exchange risk.

**Foreign currency sensitivity**

There is no Foreign Currency Assets and Liabilities as at 31st March, 2018 and 31st March, 2017, hence Sensitivity analysis is not required.

**b) Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will lead to change in interest income and expense for the Group. In order to optimize the Group's position with regards to interest income & expense and to manage the interest risk, the Group performs comprehensive interest risk management by balancing the proportion of fix & variable rate financial instruments.

Particulars	March 31,2018	March 31,2017
<b>Fixed rate instruments</b>		
Fixed deposit with Banks	21.78	14.36
<b>Variable rate instruments</b>		
Borrowings	1249.88	974.85

**Sensitivity analysis:**

A change in 50 basis point in interest rate of borrowings at the reporting date would have increase/(decrease) Profit or Loss by the amount shown below. This analysis assumes that all other variables, remain constant.

Particulars	March 31,2018		March 31, 2017	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/decrease by 50 basis point	6.25	(6.25)	4.87	(4.87)

**c) Commodity Risk**

Commodity risk is defined as the possibility of financial loss as a result of fluctuation in price of Raw Material/Finished Goods and change in demand of the product and market in which the Group operates. The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group forecast annual business plan and execute on monthly business plan. Raw material procurement is aligned to its monthly/annual business plan and inventory position is monitored in accordance with future price trend.

**ii) Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk mainly from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

a) Credit risk on trade receivables is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

At 31st March 2018, the carrying amount of the Group's two (2) most significant customers is Rs. 424.96 Lakhs (as at 31st March 2017: Rs. 988.67 Lakhs (three customers) and as at 1st April 2016: Rs. 389.22 Lakhs (three Customers).

The ageing of trade receivables at the reporting date that were not impaired are as follows :

Particulars	March 31,2018	March 31, 2017
Less than 120 days	552.23	1066.57
Above 120 days to 179 Days	0.00	23.99
Above 180 days	19.40	14.88
<b>Total</b>	<b>571.63</b>	<b>1105.44</b>

An impairment analysis is performed at each reporting date on an individual basis for all clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 32. The Group does not hold any collateral as security against the receivables. The Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of outstanding and the Group's historical experience for customers.

**b) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's Management in accordance with Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Group monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Group adjust it's exposure to various counterparties. Group's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 32.

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

**Credit risk exposure**

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	March 31, 2018		March 31, 2017	
	Non Current	Current	Non Current	Current
Loans	56.31	741.40	56.31	334.33
Trade Receivables		571.63		1,105.44
Cash equivalents		15.37		5.14
Bank Balances		21.78		14.36
Other financial assets	136.26	197.57	107.37	151.26
<b>Total</b>	<b>192.57</b>	<b>1,547.75</b>	<b>163.68</b>	<b>1,610.53</b>

**iii) Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Group's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

The table summarises the maturity profile of Group's financial liabilities based on contractual undiscounted payments .

Particulars	Within 1 year	>1 years	Total
<b>As at March 31, 2018</b>			
Borrowings	1035.86	214.02	1249.88
Other liabilities	77.50	2.05	79.55
Trade and other payable	696.76	0.00	696.76
<b>As at March 31, 2017</b>			
Borrowings	618.24	356.61	974.85
Other liabilities	165.13	2.06	167.19
Trade and other payable	832.57	0.00	832.57

**Note 34 : CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31, 2018	March 31, 2017	As at 31, 2016
<b>A Contingent liabilities</b>			
a) No provision is considered necessary for disputed Sales tax, Excise and Income tax which are under various stage of proceedings as given below:			
(i) Sales tax demand	96.11	60.53	15.04
Adjustment/paid their against	96.11	60.53	15.04
(ii) Excise demand	-	45.19	-
Deposit their against	-	1.88	-
(iii) Income tax	-	10.62	8.47
Adjustment/paid their against	-	10.62	2.63
b) Outstanding guarantees given by banker on behalf of the company	10.00	20.00	10.00
Margin their against	21.78	13.29	10.64
c) Claims against the company not acknowledged as debts			
(i) Penalty by Competition commission of India	-	230.85	230.85
Deposit their against	-	0.00	23.08
d) Share of Associates contingent liability	571.67	661.70	843.22
<b>B Commitments</b>			
Estimated amount of contract remaining to be executed towards capital accounts	Nil	Nil	Nil
Share of Associates commitment	21.62	3.69	Nil

**Note 35 : EMPLOYEES BENEFIT**

**A. Defined Contribution Plans**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to provident fund recognised in Statement of Profit and Loss	3.39	3.07

**B. Defined Benefit Plan**

**1) Gratuity**

In accordance with the provisions of Payment of Gratuity Act, 1972, the company has defined benefit plan which provides for gratuity payment. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the year of employment with the company. The gratuity plan is a unfunded plan.



**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

**(Rs. in Lakhs)**

**These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary risk:**

- (i) Investment risk: The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- (ii) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
- (iii) Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- (iv) Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2018 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**Assumptions:**

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	31.03.2018	31.03.2017
Discount Rate	7.75%	7.50%
Future Salary growth rate	5.00%	5.00%
Rate of Return on Plan Assets	N.A.	N.A.
Expected Average remaining working lives of employees in no. of years	11.90	12.10
Mortality table used	Indian Assured Lives Mortality (2006-08) Ultimate	

The details of actuarial valuation in respect of Gratuity liability are given below:

<b>a) Projected benefit Obligation at beginning of the year</b>	37.07	25.84
Interest Cost	2.87	1.94
Current Service Cost	3.98	3.64
Actuarial (Gain)/Loss	0.61	5.65
Benefits paid	0.00	0.00
<b>Projected benefit Obligation at end of the year</b>	<b>44.53</b>	<b>37.07</b>
<b>b) Amount recognised in the Balance Sheet:</b>		
Projected benefit Obligation at end of the year	44.53	37.07
Fair Value of Plan Assets as at year end	0.00	0.00
<b>Net (Asset)/Liability recognised in the Balance Sheet</b>	<b>44.53</b>	<b>37.07</b>
<b>c) Cost of the defined benefit plan for the year:</b>		
Current Service Cost	2.87	1.94
Interest Cost	3.98	3.64
Past Service Cost	0.00	0.00
<b>Components of defined benefit cost recognised in the Statement of Profit &amp; Loss</b>	<b>6.85</b>	<b>5.58</b>

**Remeasurement on the net defined benefit liability:**

Actuarial (gain)/loss arising from changes in demographic assumptions	0.00	0.00
Actuarial (gain)/loss arising from changes in financial assumptions	(0.78)	1.43
Experience Adjustment (gain)/ loss for Plan Liabilities	1.39	4.22
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>0.61</b>	<b>5.65</b>

**Total cost of the defined benefit plan for the year** **7.46** **11.23**

**d) Experience Adjustment**

Present value of defined benefit obligation	44.53	37.07
Fair Value of plan assets	0.00	0.00
Balance Sheet (Liability)/ Asset	44.53	37.07
P&L (Income)/ expenses	6.85	5.58
Experience adjustment on plan liabilities (gain)/ loss	1.39	4.22
Experience adjustment on plan assets gain/ (loss)	0.00	0.00

Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:

Discount rate - 1% increase	(41.32)	(34.24)
Discount rate - 1% decrease	48.16	40.30
Salary Growth rate - 1% increase	48.22	40.34
Salary Growth rate - 1% decrease	(41.21)	(34.15)
Withdrawal rate - 1% increase	45.11	37.54
Withdrawal rate - 1% decrease	(43.88)	(36.55)

In the above table, positive figures indicate increase in the liability and negative figures indicate decrease in the liability.

- ii) Compensated absence liability recognised as expense for the year is Rs. 1.86 Lakhs (Previous Year Rs. 2.73 Lakhs). The above is based on actuarial valuation report. The report considers assumptions with respect to discount rates, salary escalation, retirement age, mortality, rate of leaving service, leave availment pattern, disability and other relevant factors. the method used is Projected unit Credit Method.

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

**Note 36 : RELATED PARTY DISLOSURES**

i) **List of Related Parties**

a) **Key Management Personnel**

Sh. Avinash Bajoria-Managing Director  
Smt. Preetanjali Bajoria-Whole Time Director  
Sh. Raghunandan Jalan - Director  
Sh. Pratap Kumar Mondal - Director

b) **Relative of Key Managerial Personnel**

Sh. Ashutosh Bajoria

c) **Associate Companies**

M/s. Shipra Towers Pvt. Ltd.  
M/S. Beetel Tie-up Pvt. Ltd.  
M/s. Agribiotech Industries Limited,

d) **Enterprise in which key managerial and their relatives have influence**

M/s. Beekay Niryat Ltd.,  
M/s. Anshu Venture Pvt. Ltd.  
M/s. Cairo Niryat Pvt. Ltd.  
M/s. Heaven Marketing Pvt. Ltd.  
M/s. Protect Vanija Pvt. Ltd.  
M/S. Mayawati Trading Co. Pvt. Ltd

M/s. Ganesh Kripa Land Developers Pvt. Ltd.  
M/s. Rigmadirappa Investment Pvt. Ltd.  
M/s. Mangal Kamna Agency Pvt. Ltd.  
M/s. Swayambhu Construction Pvt. Ltd.  
M/s. Rameshwar Properties Pvt. Ltd.  
M/s. Goyal Complex Pvt. Ltd.

ii) **Transaction with Related Parties**

Description	Relatives of Key Managerial Personnel	Associates	Enterprise in which key management personnel and their relatives have influence
<b>Transaction during FY 2017-18</b>			
Interest Expenses			39.52
Rent Income		9.60	
Rent Expenses		0.36	
Interest Income			2.30
Unsecured Loan Taken including interest net of TDS			597.57
Unsecured Loan Taken-repaid			261.50
Loans given including interest net of TDS		0.30	52.07
Loans given-received back		28.22	0.00
<b>Balance as on 31.03.2018</b>			
Unsecured Loan Taken		0.00	597.68
Loans given		0.00	59.00
Rent Receivable including Taxes & net of TDS		20.37	0.00
<b>Transaction during FY 2016-17</b>			
Interest Expenses			61.63
Rent Income		9.60	
Rent Expenses		0.36	0.00
Interest Income		13.87	18.81
Unsecured Loan Taken including interest net of TDS			515.96
Unsecured Loan Taken-repaid			622.44
Loans given including interest net of TDS		3.65	216.48
Loans given-received back		69.37	419.02
<b>Balance as on 31.03.2017</b>			
Unsecured Loan Taken		0.00	261.61
Loans given		27.91	6.93
Rent Receivable including Taxes & net of TDS		10.07	0.00

iii) **Remuneration to Managing Director/ Key Management Personnel**

	Year Ended March 31, 2018	Year Ended March 31, 2017
Salary and allowances	54.00	44.32
Value of perquisites	3.65	4.65
	<b>57.65</b>	<b>48.97</b>

The above does not include Gratuity and Leave Encashment benefits since the same is computed actuarial for all employees and the amount attributable to the managerial person cannot be ascertained separately.

**Note 37 : SEGMENT INFORMATION**

The Company is engaged in the business of manufacturing cylinders, valves, refilling of LPG Gas. The operating segments have been identified based on the different business areas which the Chief Operating Decision Maker (CODM) reviews and assess the Company's performances.

The Company's reportable segments and segment information is presented below:

	Cylinders	Valve &Regulator	LPG Gas	Total
<b>Revenue</b>				
External	2750.14 (4820.86)	3008.66 (3760.21)	57.38 (44.70)	5816.19 (8625.77)
Internal	0.00	185.49 (256.59)		185.49 (256.59)
Total Revenue	2750.14 (4820.86)	3194.15 (4016.80)	57.38 (44.70)	6001.68 (8882.36)
Segment-wise expenditure	2824.12 (4740.44)	3044.18 (3883.48)	22.29 (15.75)	5890.59 (8639.67)
<b>Result</b>				
Segment results	(73.98) (80.42)	149.97 (133.32)	35.09 (28.95)	111.09 (242.69)
Unallocated Expenditure				71.92 (58.85)
Unallocated income				9.60 (9.60)
<b>Profit before Interest and Taxes</b>				<b>48.76</b>

Notes to the Consolidated Financial Statement for the year ended 31st March, 2018

(Rs. in Lakhs)

Interest & Bank Charges				(193.44)
				114.40
Interest Income				(137.50)
				51.14
Profit before Tax				(57.66)
				(14.50)
Current Tax				(113.60)
				7.07
Deferred Tax				(13.77)
				5.35
Share of Profit/Loss in Associates				(25.74)
				(132.75)
Profit after Tax				(16.85)
				(159.67)
				(57.24)
<b>Other Information</b>				
Segment Assets	862.25	1044.61	34.61	1941.47
	(1399.85)	(1037.05)	(35.70)	(2472.60)
Investment in Associates				999.42
				(1126.85)
Unallocated Assets				2162.51
				(1646.57)
Total				5103.40
				(5246.02)
Segment Liabilities	203.40	522.88	1.76	728.04
	(305.01)	(626.32)	0.00	(931.33)
Unallocated Liabilities				1397.12
				(1127.79)
Total				2125.16
				(2059.12)
Capital Expenditure	69.70	0.00	0.00	69.70
	(24.64)	(21.20)	0.00	(45.84)
Unallocated Capital expenditure				121.45
				(93.07)
Total				191.15
				(138.91)
Depreciation	15.02	21.50	1.45	37.97
	(12.84)	(20.97)	(1.52)	(35.33)
Unallocated Depreciation				17.92
				(10.44)
Total				55.89
				(45.77)
Non Cash Expenses other than dep.				-

**Note 38 : EQUITY ACCOUNTED INVESTMENTS**

The Group has one material associate i.e. Agribiotech Industries Limited and two immaterial associates i.e. Shipra Towers Pvt. Ltd. & Beetel Tie-up Pvt. Ltd at March 31, 2018

**a) Agribiotech Industries Limited ( Material Associates)**

The summarised financial information in respect of the Group's material associates Agribiotech Industries Limited is as below:

Summarised financial information of material associate	31st March, 2018	31st March, 2017	1st April, 2016
Non-Current Assets	4,383.28	4,006.91	3,827.47
Current Assets	3,624.74	2,345.91	3,049.47
Total Assets	8,008.02	6,352.82	6,876.94
Non-Current Liabilities	1,376.97	200.47	911.28
Current Liabilities	3,768.29	2,922.66	3,382.17
Total Liabilities	5,145.26	3,123.13	4,293.45
Net Assets	2,862.76	3,229.69	2,583.49
<b>Summarised performance of material associate</b>	<b>31st March, 2018</b>	<b>31st March, 2017</b>	
Revenue	13680.61	18907.80	
Profit and Loss after Tax	(376.48)	(48.30)	
Other comprehensive Income	9.55	(5.50)	
Total comprehensive Income	(366.93)	(53.80)	
<b>Reconciliation of the above summarised financial information to the carrying amount of the interest in Agribiotech Industries Limited recognised in consolidated financial statements is given below:</b>	<b>31st March, 2018</b>	<b>31st March, 2017</b>	<b>1st April, 2016</b>
Net assets of Agribiotech Industries Limited	2862.76	3229.69	2583.49
Proportion of the Group's ownership interest in Agribiotech Industries Limited	34.89%	34.89%	49.23%
Carrying amount of the Group's interest in Agribiotech Industries Limited	998.83	1126.85	1271.77
<b>b) Beetel Tie-up Pvt Ltd ( Immaterial)</b>			
Carrying value of the Group's Interest	0.59	0.00	0.00
Group's share of Profit/ (loss)	(1.41)	0.00	
<b>c) Shipra Towers Pvt. Ltd. (Immaterial)</b>			
Carrying value of the Group's Interest	0.00	0.00	
Group's share of Profit/ (loss)	(0.40)	(1.52)	

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

Share of unrecognised loss Rs. 0.40 lakhs for the year ended March 31, 2018 (2017: 1.52 lakhs).

Cumulative shares of unrecognised losses as at March 31, 2018 Rs. 3.11 lacs.

**Note 39 : Disclosures mandated by Schedule III of Companies Act 2013**

**Financial Year 2017-18**

Name of the entity in the Group		Net Assets i.e. total assets minus total liabilities	Share in Profit or loss	Share in Other Comprehensive income	Share in Total Comprehensive income
Parent	As % of Consolidated Net Assets)	66.44%	16.86%	106.80%	38.23%
	Amount	1978.82	(26.93)	(52.31)	(79.24)
Subsidiaries (Indian & Foreign)	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
Non Controlling interest in all subsidiaries	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
<b>Associates (Investment as per equity method)</b>					
1. Agribiotech Industries Ltd.	As % of Consolidated Net Assets)	33.54%	82.25%	-6.80%	61.77%
	Amount	998.83	(131.35)	3.33	(128.01)
2 Beetal Tie-up Pvt Ltd.	As % of Consolidated Net Assets)	0.02%	0.88%	0.00%	0.00%
	Amount	0.59	(1.41)	0.00	0.00
3. Shipra Towers Pvt Ltd.	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
Grand Total	As % of Consolidated Net Assets)	100.00%	100.00%	100.00%	100.00%
	Amount	2978.24	(159.68)	(48.98)	(207.26)

**Financial Year 2016-17**

Name of the entity in the Group		Net Assets i.e. total assets minus total liabilities	Share in Profit or loss	Share in Other Comprehensive income	Share in Total Comprehensive income
Parent	As % of Consolidated Net Assets)	64.64%	129.44%	104.07%	117.98%
	Amount	2060.05	74.09	49.07	123.16
Subsidiaries (Indian & Foreign)	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
Non Controlling interest in all subsidiaries	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
<b>Associates (Investment as per equity method)</b>					
1. Agribiotech Industries Ltd.	As % of Consolidated Net Assets)	33.36%	-29.44%	-4.07%	-17.98%
	Amount	1126.85	(16.85)	(1.92)	(18.77)
2 Beetal Tie-up Pvt Ltd.	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
3. Shipra Towers Pvt Ltd.	As % of Consolidated Net Assets)	-	-	-	-
	Amount	-	-	-	-
Grand Total	As % of Consolidated Net Assets)	100.00%	100.00%	100.00%	100.00%
	Amount	3186.90	57.24	47.15	104.39

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

(Rs. in Lakhs)

**Note 40 : FIRST TIME ADOPTION OF IND AS**

**i) Transition to Ind AS**

These financial statements, for the year ended 31st March, 2018, are the first financial statements the Group has prepared in accordance with Ind AS. For the periods upto and including the year ended 31st March 2017, the Group prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014(Indian GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for the year ended on 31st March, 2018, together with comparative data as at and for the year ended 31st March 2017 as described in significant accounting policies. In preparing these financial statements, the Group's opening Balance Sheet was prepared as at 1st April 2016, the Group's date of transition to Ind AS. An explanation of how the transition from previous GAAP has affected the Group's financial position and financial performance is set out in following table and notes.

**ii) Exemptions availed on first time adoption of Ind AS**

**a) Deemed cost of Property, Plant and Equipment**

Ind As 101 permits a first time adopter to continue with carrying value of all its Property, Plant & equipment as recognised in the financial statement as at the date of the transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Group has elected to measure all of its PPE at their previous GAAP carrying value.

**b) Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity shares other than investment in associates.

**c) Leases**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease in substance or legal form .In accordance with Ind AS 17,this assessment should be carried out at the inception of the contract or arrangement. However, the Group has done the assessment of lease in contracts based on conditions in prevailing as at the date of transition as per transition provision of Ind AS 101.

**d) Estimates**

Upon an assessment of the estimates made under Indian GAAP, the Group has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

The Group made estimate for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI

**iii) Reconciliation under Ind AS 101**

**a) Reconciliation of Equity**

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2017		
			Indian GAAP	Ind AS Adjustments	Ind AS
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment		746.35	0.00	746.35
	(b) Capital work-in-progress		78.65	0.00	78.65
	(c) Financial Assets				
	(i) Investments	1	986.73	298.40	1285.13
	(ii) Loans	2	0.00	56.31	56.31
	(iii) Others financial assets		107.37	0.00	107.37
	(d) Other non-current assets	2	4.02	70.52	74.54
	<b>Total non-current assets</b>		<b>1923.12</b>	<b>425.23</b>	<b>2348.35</b>
(2)	<b>Current assets</b>				
	(a) Inventories		908.39	0.00	908.39
	(b) Financial Assets				
	(i) Trade receivables		1105.44	0.00	1105.44
	(ii) Cash and Cash Equivalents	2	20.60	(14.36)	6.24
	(iii) Bank balance other than (ii) above	2	0.00	14.36	14.36
	(iv) Loans	2	528.05	(193.72)	334.33
	(v) Others financial assets	2	0.00	151.26	151.26
	(c) Current Tax Assets (Net)	3	0.00	4.95	4.95
	(d) Other current assets	3	474.44	(101.74)	372.70
	<b>Total current assets</b>		<b>3036.92</b>	<b>(139.25)</b>	<b>2897.67</b>
	<b>TOTAL ASSETS</b>		<b>4960.04</b>	<b>285.98</b>	<b>5246.02</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital		336.16	0.00	336.16
	(b) Other Equity	1	2595.02	255.72	2850.74
	<b>Total equity</b>		<b>2931.18</b>	<b>255.72</b>	<b>3186.90</b>
(2)	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings		261.61	0.00	261.61
	(b) Provisions	3	0.00	30.17	30.17
	(c) Deferred Tax Liability (Net)	3	54.25	(22.08)	32.17
	<b>Total non-current liabilities</b>		<b>315.86</b>	<b>8.09</b>	<b>323.95</b>
(3)	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings		713.24	0.00	713.24
	(ii) Trade payables		832.57	0.00	832.57
	(iii) Other financial liabilities		0.00	136.39	136.39
	(b) Other current liabilities	2	167.19	(136.39)	30.80
	(c) Provisions	3	0.00	22.17	22.17
	<b>Total current liabilities</b>		<b>1713.00</b>	<b>22.17</b>	<b>1735.17</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4960.04</b>	<b>285.98</b>	<b>5246.02</b>

Notes to the Consolidated Financial Statement for the year ended 31st March, 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2016		
			Indian GAAP	Ind AS Adjustments	Ind AS
	<b>ASSETS</b>				
(1)	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment		731.85	0.00	731.85
	(b) Capital work-in-progress		0.00	0.00	0.00
	(c) Financial Assets				
	(i) Investments	1	1040.77	336.42	1377.19
	(ii) Loans	2	0.00	56.31	56.31
	(iii) Others financial assets		96.99	0.00	96.99
	(d) Other non-current assets	2	8.91	33.32	42.23
	<b>Total non-current assets</b>		<b>1878.52</b>	<b>426.05</b>	<b>2304.57</b>
(2)	<b>Current assets</b>				
	(a) Inventories		629.00	0.00	629.00
	(b) Financial Assets				
	(i) Trade receivables		435.57	0.00	435.57
	(ii) Cash and Cash Equivalents	2	73.53	(13.66)	59.87
	(iii) Bank balance other than (ii) above	2	0.00	13.66	13.66
	(iv) Loans	2	730.63	(203.27)	527.36
	(v) Others financial assets	2	0.00	144.77	144.77
	(c) Current Tax Assets (Net)	3	0.00	9.62	9.62
	(d) Other current assets	3	408.37	(54.55)	353.82
	<b>Total current assets</b>		<b>2277.10</b>	<b>(103.43)</b>	<b>2173.67</b>
	<b>TOTAL ASSETS</b>		<b>4155.62</b>	<b>322.62</b>	<b>4478.24</b>
	<b>EQUITY AND LIABILITIES</b>				
(1)	<b>Equity</b>				
	(a) Equity Share capital		336.16	0.00	336.16
	(b) Other Equity	1 & 3	2570.99	301.51	2872.50
	<b>Total equity</b>		<b>2907.15</b>	<b>301.51</b>	<b>3208.66</b>
(2)	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings		368.08	0.00	368.08
	(b) Provisions	3	0.00	20.14	20.14
	(c) Deferred Tax Liability (Net)	3	25.55	(17.25)	8.30
	<b>Total non-current liabilities</b>		<b>393.63</b>	<b>2.89</b>	<b>396.52</b>
(3)	<b>Current liabilities</b>				
	(a) Financial liabilities				
	(i) Borrowings		495.81	0.00	495.81
	(ii) Trade payables		261.84	0.00	261.84
	(iii) Other financial liabilities	2	0.00	74.73	74.73
	(b) Other current liabilities	2	97.19	(74.74)	22.45
	(c) Provisions	3	0.00	18.23	18.23
	<b>Total Current liabilities</b>		<b>854.84</b>	<b>18.22</b>	<b>873.06</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4155.62</b>	<b>322.62</b>	<b>4478.24</b>

Notes on reconciliation of Equity from previous GAAP to Ind AS:-

- Investments have been valued at fair value through other comprehensive income, resulting into increase in value of Investments.
- Certain assets and liabilities are regrouped as financial/non financial assets or liabilities as per Ind AS requirements.
- Adjustments related to preliminary expenses, unrecognised liability of gratuity & earned leaves & tax impact thereon has been carried out as per Ind AS requirements.

**b) Reconciliation of Statement of Profit and Loss**

s. No.	Particulars	Note No.	Year ended March 31, 2017		
			Indian GAAP	Adjustments	IND AS
I	Revenue from Operations	4	7757.85	867.92	8625.77
II	Other Income	5	72.79	(5.53)	67.26
III	<b>Total Revenue(I+II)</b>		<b>7830.64</b>	<b>862.39</b>	<b>8693.03</b>
IV	<b>EXPENSES</b>				
	Cost of Material Consumed		5349.42	0.00	5349.42
	Changes in inventories of finished goods		23.24	0.00	23.24
	Excise duty	4	0.00	867.92	867.92
	Employee benefit expense	5	178.88	8.31	187.19
	Finance cost	6	142.24	(4.74)	137.50
	Depreciation and amortisation expense		45.77	0.00	45.77
	Other expense	5	1968.54	(0.15)	1968.39
	<b>Total expense</b>		<b>7708.09</b>	<b>871.34</b>	<b>8579.43</b>
V	Profit before share of associate and tax (III-IV)		122.55	(8.95)	113.60
VI	Share of profit/(loss) of Associates		(19.51)	2.66	(16.85)
VII	Profit before tax (V-VI)		103.04	(6.29)	96.75
	Tax expense :				
	Current tax		13.77	0.00	13.77
	Deferred tax	2	28.69	(2.95)	25.74
VIII	Profit of the year		60.58	(3.34)	57.24
IX	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss	1,3	0.00	47.15	47.15
	(ii) Items that will be reclassified to profit or loss		0.00	0.00	0.00
	<b>Total Comprehensive Income(VIII+IX)</b>		<b>60.58</b>	<b>43.80</b>	<b>104.39</b>

**Notes to the Consolidated Financial Statement for the year ended 31st March, 2018**

**1 Fair Valuation of Investment in equity shares**

Under previous GAAP, long term investments were measured at cost less diminution in value other than temporary as of each reporting date. Under Ind AS, these investments are required to be measured at Fair value through Other Comprehensive Income (FVTOCI) or Profit or Loss (FVTPL) and the Group has elected to measure it at FVTOCI. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition.

**2 Other deferred tax adjustments**

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

**3 Remeasurement of post employment benefits obligation**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss under the previous GAAP.

4 Under the previous GAAP, excise duty on sale of goods was reduced from sales to present the revenue from operations. Whereas, under Ind AS, this excise duty is included in the revenue from operations and corresponding expenses is included as part of total expenses. The change does not affect total equity as at April 01, 2016 and March 31, 2017, profit before tax or total profit for the year ended March 31, 2017.

5 Adjustment for prior period, preliminary expenses and unprovided Gratuity and Leave encashment has been done as per Ind AS requirements.

6 Reclassification of certain items as per Ind AS requirements has been carried out.

- c) Other comprehensive income: Under Previous GAAP, the Group had not presented other comprehensive income separately. Hence, it has reconciled Previous GAAP profit or loss to total comprehensive income as per Ind AS.
- d) Statement of Cash flows: The transition from Previous GAAP to Ind AS did not have a material impact on statement of cash flows as the Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing & financing activities.

**41 STANDARDS ISSUED BUT NOT YET EFFECTIVE**

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the financial statements and the impact is not material.

**Ind AS 115- Revenue from Contract with Customers:** On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition: • Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors • Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

42 The previous year's figures have been regrouped, rearranged and reclassified to conform to current year Ind-AS presentation requirements.

In terms of our report of even date attached

**For S.S.SURANA & CO.**

Chartered Accountants  
FRN 001079C  
Sd/-  
**(Pralhad Gupta)**  
Partner  
M. NO. 074458

Place : JAIPUR  
Date : 30/05/2018

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

Sd/-	Sd/-
<b>(Avinash Bajoria)</b>	<b>(Preetanjali Bajoria)</b>
Managing Director	Whole Time Director
DIN: 01402573	DIN: 01102192

Sd/-	Sd/-
<b>(Anisha Jain)</b>	<b>(Suresh Jain)</b>
Company Secretary	CFO