Contents

Statutory Auditors	Secretarial Auditors	Registrar and Share Transfer Agent
M/s. P. D. Goplani & Associates Chartered Accountant [ICAI Firm Registration No. 118023W]	M/s. Dilip Bharadiya & Associates Company Secretaries	Sharex Dynamic (India) Pvt. Ltd.

Company Details

HARIYANA SHIP- BREAKERS LIMITED
CIN: L61100MH1981PLC024774
Reg. Ofc: 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021
Tel: 022 – 22043211; Fax– 22043215
E-mail: contact@hariyanagroup.com; Website: www.hariyanagroup.com

BOARD OF DIRECTORS

Mr. Shantisarup Reniwal (DIN: 00040355)	Chairman & Executive Director
Mr. Rakesh Reniwal (DIN: 00029332)	Managing Director
Mrs. Unnati Reniwal (DIN: 00041306)	Executive Director
Mr. Manohar Wagh (DIN: 02622648)	Independent & Non Executive Director
Mr. Pradeep Lilaram Bhatia (DIN: 02903984)	Independent & Non Executive Director
Mr. Tejasbhai Thakker (DIN: 03017277)	Independent & Non Executive Director

KEY MANAGERIAL PERSON

Mr. Rakesh Reniwal	Managing Director
Ms. Swati Chauhan	Company Secretary

BANKER(S)
Punjab National Bank

BRANCH OFFICE
Hariyana House, 2165/A-2, 2nd Floor, Sanskar Mandal Chowk, Bhavnagar – 364 002

SHIP BREAKING YARD
Plot No.14, Ship Breaking Yard, Alang, District Bhavnagar, Gujarat- 364001

NOTICE

Notice is hereby given that the **37th Annual General Meeting** *("the Meeting")* of the members of **Hariyana Ship-Breakers Limited** *("the Company")* (CIN: L61100MH1981PLC024774) will be held on **Saturday, September 29, 2018** at **09.30 a.m.** at Registered Office of the Company situated at 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021 to transact, with or without modification(s), as may be permissible, the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.**"**

2. To re-appoint Mr. Shantisarup Reniwal (DIN: 00040355), who retires by rotation as a Director and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shantisarup Reniwal (DIN: 00040355), who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.**"**

3. To ratify/appoint Joint Statutory Auditors of the Company and in this regard, pass the following resolution as an **Ordinary Resolution:**

   a. Ratification of the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, at same terms and conditions.

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, be and is hereby ratified at same terms and conditions as approved in Annual General Meeting held on September 30, 2017.**"**

   b. Appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), as Joint Statutory Auditors of the Company.

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), be and is hereby appointed as the Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022, at such remuneration plus taxes as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf.**"**

SPECIAL BUSINESS

4. To approve the revision in remuneration of Mr. Rakesh Reniwal (DIN: 00029332), Managing Director of the Company and in this regard, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Part I, Section I of Part II of Schedule V, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made there under (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), applicable clauses of Articles of Association of the Company and in partial modification of the relevant resolution passed in 36th Annual General Meeting of the Company held on September 30, 2017 and on recommendation of the Nomination and Remuneration Committee vide its circular resolution dated October 10, 2017 and approval of the Board of Directors of the Company in its meeting held on October 10, 2017, the consent of the Members of the Company by way of ratification, be and is hereby accorded for the revision in remuneration of Mr. Rakesh Reniwal (DIN: 00029332), Managing Director of the Company on the terms and conditions and stipulations, more particularly as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as the Managing Director of the Company, as approved by the resolution passed in 36th Annual General Meeting of the Company held on September 30, 2017, shall remain unchanged.

RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequate profits during the aforesaid period from April 1, 2017 till March 31, 2020, the remuneration payable to Mr. Rakesh Reniwal shall be as mentioned in the explanatory statement attached hereto, subject to the necessary approvals as may be required in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto and to sign & execute any deed/ document/ undertaking/ agreement/ paper/ writing, as may be required in this regard and to delegate all or any of these powers to any of the Directors and/ or Key Managerial Personnel and/or Officers of the Company."

5. To approve payment of remuneration to Mr. Shantisarup Reniwal (DIN: 00040355), Executive Director of the Company and in this regard, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 197 read with Section I of Part II of Schedule V, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made there under (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), applicable clauses of Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and subject to such other approvals, as may be necessary, the consent of the members be and is hereby accorded for payment of the remuneration to Mr. Shantisarup Reniwal (DIN: 00040355), Executive Director of the Company, on the terms and conditions and stipulations, more particularly as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequate profits, the remuneration payable to Mr. Shantisarup Reniwal shall be as mentioned in the explanatory statement attached hereto, subject to the necessary approvals as may be required in this regard.

RESOLVED FURTHER THAT the remuneration payable to Mr. Shantisarup Reniwal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto and to sign & execute any deed/ document/ undertaking/ agreement/ paper/ writing, as may be required in this regard and to delegate all or any of these powers to any of the Directors and/ or Key Managerial Personnel and/or Officers of the Company."

6. To re-appoint Mr. Manohar Wagh (DIN: 02622648) as an Independent Director and in this regard, pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), Mr. Manohar Wagh (DIN: 02622648), who was appointed as an Independent Director and who holds office as an Independent Director up to March 31, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to March 31, 2024.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto."

7. To advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken and in this regard, pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to Section 185 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, read with rules made there under (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), applicable clauses of Articles of Association of the Company, other applicable Rules, Regulations, Guidelines and as recommended by the Board of Directors, the consent of the members be and is hereby accorded to the Board of Directors of the Company to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, from time to time as the Board may deem fit notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits approved by Members of the Company by way of postal ballot voting on October 9, 2015 under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company."

8. To approve continuation of holding of office of Executive Director and Chairman by Mr. Shantisarup Reniwal (DIN: 00040355) who is over the age of 70 (Seventy) years and in this regard, pass the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force), approval of the

Members of the Company be and is hereby granted for continuation of holding of office of Executive Director and Chairman by Mr. Shantisarup Reniwal (DIN: 00040355) who is over the age of 70 (Seventy) years.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and for matters connected therewith or incidental thereto."

On behalf of the Board of Directors
For **Hariyana Ship-Breakers Limited**

Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**
Chairman	Managing Director
(DIN: 00040355)	(DIN: 00029332)

Date: May 30, 2018
Place: Mumbai

NOTES

1. **STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("AGM/Meeting") is annexed hereto.

Details in pursuance of Regulation 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *("Listing Regulations")* and Clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting under Item No. 2 and 6 of the Notice, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

2. **APPOINTMENT OF PROXY**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS SENT HEREWITH.

THE PROXY FORM SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY EITHER IN PERSON OR THROUGH POST, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE AGM.

A person can act as proxy on behalf of not exceeding 50 (fifty) Members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights.

A Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other Member.

If a single person is appointed as a Proxy by more than 50 (fifty) Members, such person shall choose any 50 (fifty) Members and confirm the same to the Company in not less than 48 (forty eight) hours before the commencement of the AGM. In case he fails to do so, only the first 50 (fifty) proxies received by the Company shall be considered as valid. Further, if the company receives multiple Proxy Forms for the same holdings of a Member, the Proxy Form which is dated last will be considered as valid. If such multiple Proxy Forms are not dated or they bear the same date without specific mention of time, all such Proxy Forms shall be considered as invalid.

In order to be valid and effective, the Proxy Form must be duly filled, completed and signed. Further, the Proxy Form submitted on behalf of the Companies, Corporate Members, Societies etc. must be stamped and shall be supported by an appropriate certified copy of the resolution/ letter of authority, as may be applicable.

A Proxy Form, duly submitted with the Company in the aforesaid manner, shall be treated as valid until written notice of revocation has been received by the Company before the commencement of the AGM. A Proxy Form which is incomplete in any respect (For e.g. a Proxy Form which does not state the name of the person appointed as a Proxy) and/or is undated, unsigned, unstamped will be considered as invalid.

A proxy shall prove his identity at the time of attending the meeting. A proxy shall not have a right to speak at the meeting and shall not be entitled to vote except on a poll.

3. **AUTHORISED REPRESENTATIVE**

Corporate members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signature(s) authorising their representative(s) to attend and vote on their behalf at the AGM, to Sharex Dynamic (India) Pvt. Ltd, the Registrar and Transfer Agent of the Company or to the Company

Secretary at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the AGM.

4. **Members, Proxies and Authorized Representatives attending the AGM are requested to bring their photo identity proof and attendance slip, which is enclosed herewith, duly filled & signed and are requested to hand it over at the entrance.**

5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

6. **DOCUMENTS OPEN FOR INSPECTION**

   a. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.

   b. Relevant documents referred to in this Notice and the statement pursuant to Section 102(1) of the Act, shall remain open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10:00 a.m. and 12:00 noon, upto the date of the AGM.

7. **CLOSURE OF REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS**

   The Register of Members and the Share Transfer Books of the Company will remain close from Sunday, September 23, 2018 to Saturday, September 29, 2018 (both days inclusive).

8. **ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING**

   Pursuant to Sections 101 and 136 of the Act read with the relevant rules made thereunder, Companies can serve Annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or Depository Participant(s).

   Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company i.e. **www.hariyanagroup.com** and also forming part of this Notice, to the Company or Sharex Dynamic (India) Pvt. Ltd., Registrar and Transfer Agent of the Company.

   Members holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

   Members may also note that the Notice of the 37th AGM and the Annual Report for Financial Year 2017-18 will also be available on the Company's website i.e. **www.hariyanagroup.com** for downloading. The physical copies of all the documents mentioned/ referred to in this Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days.

   Even after registering for E-communication, Members are entitled to receive such communication in physical form free of cost, upon making a request for the same. Members desirous of receiving any communication vide a particular mode of service, would be entitled to receive such communication vide such mode of service, on payment of requisite fees as determined by the Company. For any communication, the Members may also send requests to the Company's e-mail ID i.e. contact@hariyanagroup.com.

9. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the AGM. Also, in case the Members seek any additional information with respect to the Financial Statements of the Company, they are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.

10. The Company has on July 31, 2018 sent notices to the shareholders whose dividend remains unpaid and unclaimed for the Financial Year 2010-11 requesting them to claim the dividend, failing which the said dividend shall be credited to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has given public notice to the shareholders of the company and public at large on August 05, 2018, informing them about the provisions of the Companies Act, wherein the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years are liable to be transferred to the IEPF Authority.

The list of unpaid and unclaimed dividend for the year 2010-11 has been uploaded on the website of the Company and the same can be accessed through the link: http://www.hariyanagroup.com/InvestorRelations/ShareholdersInformation.aspx

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, informed the shareholders that the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years are liable to be transferred to the IEPF Authority. The details of shares transferred likely to IEPF Authority are available on the website of the Company and the same can be accessed through the link: http://www.hariyanagroup.com/ InvestorRelations/ShareholdersInformation.aspx

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: http://iepf.gov.in/IEPFA/refund.html or contact Sharex Dynamic (India) P Ltd., for lodging claim for refund of shares and / or dividend from the IEPF Authority.

Further the Due dates for transfer of unclaimed/unpaid dividends for the financial year 2010-11 and thereafter to IEPF are as follows:

FY Ended	**Declaration Date**	**Due Date**
March 31, 2011	September 30, 2011	November 05, 2018
March 31, 2012	September 28, 2012	November 03, 2019
March 31, 2013	September 30, 2013	November 05, 2020

11. VOTING

a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting *("AGM")* by electronic means and the business may be transacted through e-voting services. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility and the members may cast their votes using an electronic voting system from a place other than venue of the AGM *(i.e., "remote e-voting")*.

b. The facility for voting through ballot paper shall be made available at the AGM 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 ballot paper.

c. The remote e-voting period will commence on Wednesday, September 26, 2018 (9:00 a.m.) and will end on Friday, September 28, 2018 (5:00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form as on the cut-off date i.e., September 22, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

d. Company has appointed Mr. Dilip Bharadiya (holding Membership No. FCS 7956), Proprietor of M/s. Dilip Bharadiya & Associates, Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and ballot voting at the AGM) in a fair and transparent manner.

e. Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

Procedure for remote E-Voting:

The Company has entered into an arrangement with NSDL for facilitating remote e-voting for the AGM. The procedure to login to e-voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

   a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

   b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

   c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycle.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **dilipbcs@gmail.com** to with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to

keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of **https://www.evoting.nsdl.com** or contact NSDL at the following toll free no.: 1800-222-990.

General Instructions:

a. At the AGM, the Chairperson shall, at the end of discussion on the resolutions on which voting is to be held, allow ballot voting at the AGM with the assistance of scrutinizer for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

b. The Scrutinizer shall, after the conclusion of ballot voting at the AGM, first count the votes cast by ballot voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

c. The results alongwith the Consolidated Scrutinizer's Report shall be declared by means of: (i) displaying on the Notice Board of the Company at its Registered Office; (ii) dissemination on the website of the Company i.e. www.hariyanagroup.com and on the website of NSDL viz. www.evoting.nsdl.com; and (iii) communication to BSE Limited, thereby enabling them to disseminate the same on its website.

d. The results shall also be available for inspection at the Registered Office of the Company.

Other Information:

a. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners of the Company, as on the cut-off date i.e. Saturday, September 22, 2018 only shall be entitled to avail the facility of e-voting, either through remote e-voting and voting at the AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

b. Members who have cast their vote by remote e-voting prior to the AGM will be entitled to and may attend the AGM and their presence shall be, counted for the purpose of Quorum. However, they shall not be entitled to cast their vote again. In case a Member casts his vote by more than one mode of voting including remote e-voting, then voting done through remote e-voting shall prevail and other shall be treated as invalid.

c. Voting rights of the Members shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. Saturday, September 22, 2018.

d. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares as of the cut-off date may follow the procedure for remote e-voting as enumerated in detail hereinabove. They may also refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at their toll free no.: 1800-222-990.

e. Every Client ID No./Folio No. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.

12. **DEMATERIALISATION OF HOLDINGS**

   a. In accordance with the amendments to Regulation 40 of SEBI Listing Regulations, to be made effective later, the Securities and Exchange Board of India ("SEBI") has revised the provisions relating to transfer of listed securities, thereby curbing the risks of fraud and manipulation in physical transfer of securities.

   b. In terms of the amendments, requests for effecting transfer of listed securities shall be processed only if the securities are held in dematerialised form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited).

   c. Accordingly, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Company or Sharex Dynamic (India) P Ltd., for assistance in this regard.

   d. Transfer of securities only in demat form will improve ease; facilitate convenience and safety of transactions for investors.

13. **SUBMISSION OF MEMBERS' PERMANENT ACCOUNT NUMBER ("PAN")**

   a. SEBI has mandated submission of PAN by every participant in the Securities Market. Accordingly, Members holding shares in dematerialised form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Sharex Dynamic (India) P Ltd.

   b. Also, in terms of the Circular dated April 20, 2018 issued by SEBI, Members holding securities in physical form are advised to register their PAN and Bank Account Details with the Company or Sharex Dynamic (India) P Ltd., by sending a duly signed letter alongwith self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. Alternatively, the Members may submit a copy of bank passbook/ statement, duly attested by the Bank. Members holding shares in dematerialised form are requested to ensure that the aforesaid information is submitted/ updated with their respective Depository Participant. c. Further, in terms of the SEBI Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company or Sharex Dynamic (India) P Ltd. with respect to all requests pertaining to transfer of shares, deletion of name, transmission of shares and transposition of shares.

14. All the Members are requested to intimate changes, if any, pertaining to their name, postal address, E-mail address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants - in case the shares are held by them in dematerialised form and to the Company or Sharex Dynamic (India) P Ltd.- in case the shares are held by them in physical form.

15. In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.hariyanagroup.com. Members holding shares in dematerialised form are requested to submit the said details to their Depository Participant(s) and the Members holding shares in physical form, are requested to submit the said details to the Company or Sharex Dynamic (India) P Ltd..

16. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or Sharex Dynamic (India) P Ltd., quoting their Folio No. or DP ID-Client ID, as the case may be.

17. Non-Resident Indian Members are requested to immediately inform the Company or Sharex Dynamic (India) P Ltd. or to the concerned Depository Participant(s), regarding:

    a. the change in the residential status on return to India for permanent settlement; and/or

    b. the particulars of the NRE Account with a Bank in India, if not furnished earlier.

18. Members are requested to please read the "Company's Recommendations to the Shareholders" provided in the "General Shareholder Information" Section of the Annual Report for the Financial Year 2017-18.

On behalf of the Board of Directors
` For **Hariyana Ship-Breakers Limited**

Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**
Chairman	Managing Director
(DIN: 00040355)	(DIN: 00029332)

Date : May 30, 2018
Place: Mumbai

EXPLANATORY STATEMENT
[Pursuant to Section 102 of The Companies Act, 2013 relating to the business set out in the accompanying Notice]

Item No. 3

In view of the provisions of the Companies Act, 2013, M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar and M/s. Lahoti Navneet & Co., Chartered Accountants, Mumbai, are the Joint Statutory Auditors of the Company.

In the last AGM held on September 30, 2017, M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar, were appointed as Statutory Auditors for a period of 5 years i.e. to hold office from the conclusion of 36th Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022 subject to their ratification at every AGM.

Further, M/s. LLB & Co., Chartered Accountants, Mumbai, were appointed as branch auditors to audit the Accounts of the Mumbai division of the Company for a period of 5 years until the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022. The management after deliberations in the recent Board meeting had decided to appoint Joint Auditors for the company and thus M/s. LLB & Co., Chartered Accountants were asked to discontinue as they had shown their unwillingness to be appointed as Joint Auditors. Considering the volume of operations of the Company and pursuant to recommendation of Audit Committee and Board of Directors, M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai are proposed to be appointed as Joint Statutory Auditors in place of M/s. LLB & Co., Chartered Accountants, Mumbai, for 04 financial years i.e., from the conclusion of ensuing Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022.

The Joint Statutory Auditors have confirmed their eligibility for proposed ratification/appointment.

As per recommendation of the Audit Committee, the Board proposes and recommends to Shareholders for their ratification/appointment as Joint Statutory Auditors of the Company. Resolutions seeking your approval to their ratification/appointment is included in item no. 3 to the Notice of the ensuing annual general meeting.

None of the directors of the company is concerned or interested in the resolution.

Item No. 4

The Board of Directors of the Company ("Board"), at its meeting held on October 10, 2017 has, subject to the approval of members, approved revision in remuneration payable to Mr. Rakesh Reniwal, Managing Director of the Company as recommended by the Nomination and Remuneration Committee ("NARC") of the Board.

It is proposed to seek members' approval for the remuneration payable to Mr. Rakesh Reniwal as Managing Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the remuneration payable to, Mr. Rakesh Reniwal are as under:

Salary & Perquisites:

i) Salary to the maximum : Rs. 2,00,000/- per month w.e.f. October 01, 2017

ii) Increments: Such increments as may be fixed by the Board of Directors from time to time in the salary range of Rs. 20,000/- to Rs. 50,000/- per month

iii) Bonus for the financial year, at the discretion of the Company

iv) Commission: Not exceeding 1.5 (one and half) percent of net profit in anaccounting year of the Company subject to availability of profit and applicable provisions of law.

v) Provident Fund: Company's contribution not to exceed 12% of salary

vi) Housing: The Company to provide rent free partially furnished, air-conditioned, residential accommodation with telephone, gas and electricity, the monetary value of which may be evaluated as per the Income-tax Rules, 1962.

vii) Medical Aid: Medical aid benefits for self and family as applicable to the Officers of the Company, subject to the condition that the cost of medical benefits to the Company shall not exceed Rs. 35,000/- per year.

viii) Personal accidents and Mediclaim Insurance Policy, premium not to exceed Rs. 1,00,000/- per annum as per the Income-tax Rules, 1962

ix) Free use of the Company's car and fuel expenses for use on the Company's business as well as for own use. If car is leased from an external agency or from spouse, lease rental and fuel expenses will be paid as per rules of the Company.

x) Reimbursement of salary of driver and his meal coupons as per rules of the Company.

xi) Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.

xii) The Company to pay the premium for the Group Insurance Policy taken for Mr. Rakesh Reniwal as per rules of the Company.

xiii) The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions).

xiv) Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company

xv) Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed as per Company policy from time to time.

xvi) Reimbursement of expenses on mobile phone and landline phone at residence as per rules of the Company.

xvii) Reimbursement of expenses incurred by him in purchase of newspapers, magazines, books and periodicals in accordance with the Company's policy.

xviii) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company's policy.

xix) Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

All the above perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.

Other Terms and Conditions:

Sitting fees, if any paid to the Managing Director for attending meeting of the Board of Directors or any committee thereof shall be as per the company rules and as permissible at law.

Mr. Rakesh Reniwal is interested in the resolution set out at Item No. 4 of the Notice. Mr. Shantisarup Reniwal amd Mrs. Unnati Rakesh Reniwal, being related to Mr. Rakesh Reniwal may be deemed to be interested in the said resolution.

The other relatives of Mr. Rakesh Reniwal may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members

Item No. 5

Mr. Shantisarup Reniwal has been with the Company for over three decades in various capacities. Presently, he is the Chairman & Executive Director of the Company.

He has worked with several businesses of the Group and has richly contributed in many major initiatives of the Group with his widely acknowledged financial acumen and analytical skills. He played an important role by bringing in wider managerial perspectives and leadership experiences, into reviewing the development, growth and operations of the Group's businesses.

In recognition of his contribution, the Board of Directors based on the recommendations of the Nomination and Remuneration Committee and performance evaluation which was found to be extra-ordinary, approved the payment of remuneration pursuant to the applicable provisions of the Act and the rules made thereunder and subject to the approval of the members in the 37th Annual General Meeting of the Company.

It is proposed to seek members' approval for the remuneration payable to Mr. Shantisarup Reniwal as Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the remuneration payable to, Mr. Shantisarup Reniwal are as under:

Remuneration:

a) Salary to the maximum : Rs. 2,00,000/- (Rupees Two Lakhs only) per month, with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 50,000/- (Rupees Fifty Thousand only) per month.

b) Special Allowance : Rs.50,000/- (Rupees Fifty Thousand only) per month, with such increments as the Board may decide from time to time, subject however to a ceiling of Rs. 30,000/- (Rupees Thirty Thousand only) per month. This allowance however, will not be taken into account for the calculation of benefits such as Provident Fund, Gratuity, Superannuation and Leave encashment.

c) Annual Incentive Pay : Linked to the achievement of targets, as may be decided by the Board from time to time

Perquisites:

a) Housing: Company provided (furnished/ unfurnished) accommodation and/or HRA in lieu of company provided accommodation as per the policy of the Company.

b) Reimbursement of expenses: At actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per Company policy.

c) Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family at actual (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy.

d) Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the policy of the Company.

e) Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).

f) Car: Two cars for use of the Company's Business.

g) Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per policy of the Company. Travelling expenses of Spouse accompanying on any official overseas or inland trip will be governed as per the rules of the Company.

h) Leave and encashment of leave: As per the policy of the Company.

i) Personal accident Insurance Premium: As per the policy of the Company.

j) Contribution towards Provident Fund and Superannuation Fund or Annuity Fund, National Pension Scheme: As per the policy of the Company.

k) Gratuity and/or contribution to the Gratuity Fund of Company: As per the policy of the Company.

l) Other Allowances/ benefits, perquisites: Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and/or which may become applicable in the future and/ or any other allowance, perquisites as the Board from time to time decide.

m) Any other one-time/ periodic retirement allowances/ benefits: As may be decided by the Board at the time of retirement.

n) In case Mr. Shantisarup Reniwal is elevated to the higher level of the Company during the tenure of his appointment, the allowances, perquisites and benefits applicable to the level, will also apply to the executive.

o) Annual remuneration review effective April 1st each year, as per policy of the Company.

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Shantisarup Reniwal, Director, will be considered as continuous service with the Company from the date of his joining the Company.

Other Terms and Conditions:

Sitting fees, if any paid to the Director for attending meeting of the Board of Directors or any committee thereof shall be as per the company rules and as permissible at law.

Mr. Shantisarup Reniwal is interested in the resolution set out at Item No. 5 of the Notice. Mr. Rakesh Reniwal and Mrs. Unnati Rakesh Reniwal, being related to Mr. Shantisarup Reniwal may be deemed to be interested in the said resolution.

The other relatives of Mr. Shantisarup Reniwal may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

Mr. Manohar Wagh (DIN: 02622648) was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company up to March 31, 2019 (“first term”). The NARC Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Manohar Wagh as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NARC Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Manohar Wagh would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Manohar Wagh as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Manohar Wagh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Manohar Wagh that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Manohar Wagh fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Manohar Wagh is independent of the management.

Details of Mr. Manohar Wagh, in terms of Regulations 26(4) and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Clause 1.2.5 of Secretarial Standards on General Meetings, also form part of this Notice.

Copy of draft letter of re-appointment of Mr. Manohar Wagh setting out the terms and conditions of re-appointment is available for inspection by the members at the registered office of the Company.

Mr. Manohar Wagh is interested in the resolution set out at Item No. 6 of the Notice with regard to his reappointment. Relatives of Mr. Manohar Wagh may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, from time to time as the Board may deem fit as per section 185 of Companies Act, 2013 notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities of any bodies corporate exceeds the limits approved by Members of the Company by way of postal ballot voting on October 9, 2015 under Section 186 of the Companies Act, 2013, read with the applicable rules, circulars or clarifications thereunder.

Pursuant to the provisions of section 185 of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of members by way of special resolution.

The Board therefore, commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

Item No. 8

Mr. Shantisarup Reniwal (DIN: 00040355), Executive Director and Chairman of the Company, is over the age of 70 years. In view of the applicable provisions of the Companies Act, 2013 and Rules made thereunder and also for an abundant precaution, the Company seeks consent of the members by way of special resolution for continuation of his holding of existing office after the age of 70 years under the provisions of Section 196(3)(a) of the Companies Act, 2013.

Keeping in view that Mr. Shantisarup Reniwal has more than three decades of rich and varied experience in the operations of the Company; it would be in the interest of the company to continue the employment of Mr. Shantisarup Reniwal as an Executive Director.

The Board therefore recommends the special resolutions for your approval. Except Mr. Shantisarup Reniwal (the appointee), Mr. Rakesh Reniwal and Mrs. Unnati Rakesh Reniwal, (being relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 8.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN THE THIRTY SEVENTH ANNUAL GENERAL MEETING, AS SET OUT IN ITEM NOS. 2 AND 6 OF THIS NOTICE, IN TERMS OF REGULATIONS 26(4) AND 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS

A. Brief resume including qualification, experience and expertise in specific functional area:

a) Mr. Shantisarup Reniwal

Mr. Shanti Sarup Reniwal, Chairman & Executive Director, forayed into the corporate corridors of power way back in 1981, with an initial start-up in the Ship Recycling Business. A pioneer and front runner, Shanti Sarup Reniwal leads the group actively involved in the Finance, Tax Planning & development of the group. With over 45 years of vast experience he captains the Iron & Steel Trading Business of the group till date epitomizing the spirit of “dare to dream and learn to excel”.

Hairyana Group is a living testimony to his indomitable will, single-minded dedication and an unrelenting commitment to his goals.

Mr. Shantisarup Reniwal has more than three decades of rich and varied experience in the operations of the Company. He has worked with several businesses of the Group and has richly contributed in many major initiatives of the Group with his widely acknowledged financial acumen and analytical skills. He played an important role by bringing in wider managerial perspectives and leadership experiences, into reviewing the development, growth and operations of the Group’s businesses.

Believing in leading by example, he is involved in the strategic development and expansion of the Ship recycling and real estate investments business. An initiator and risk taker, he drives the group’s expansion and business stratagem which has led to the group’s scaling heights today.

b) Mr. Manohar Wagh

Mr. Manohar Wagh grew up in Mumbai and graduated in B.Com from Sheth N.K.T.T. College of Commerce and Sheth J.T.T. College of Arts. He is very active in community and social causes.

He has over 9 years of vast experience in the Company particularly in Management consulting and possesses appropriate skills, experience and knowledge in fields of finance, management, sales, marketing, administration and corporate governance.

Presently, he is an Independent Director on Board of the Company and the Chairman of Nomination and Remuneration committee, Audit committee and Stakeholders’ Relationship & Share Transfer Committee.

B. Other Details

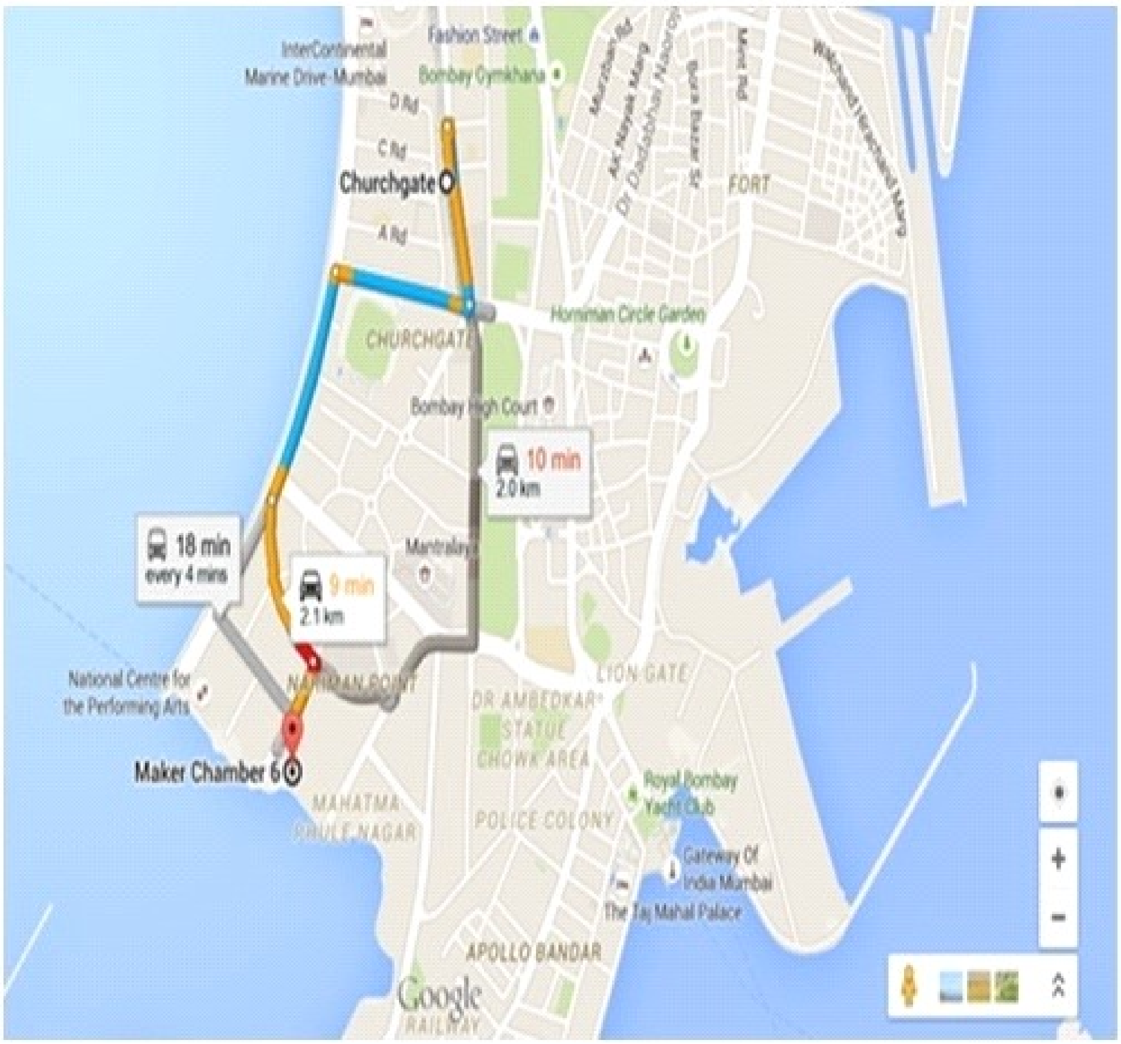
Name of Director	Shantisarup Reniwal	Manohar Hanumant Wagh
Director Identification Number (DIN)	00040355	02622648
Date of Birth	03/03/1941	15/03/1985
Date of First Appointment	09/07/1981	28/04/2009
Experience	Vast experience in Ship Recycling Business	Vast experience in Management consulting
Terms and conditions of appointment/ reappointment	He is proposed to be reappointed as the Executive Director, liable to retire by rotation every year	As per the resolution at item no. 6 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Manohar Hanumant Wagh is proposed to be re-appointed as an Independent Director
Past Remuneration drawn from the Company	Nil	Nil
Remuneration sought to be paid	As per the resolution at item no. 5 of the Notice convening this Meeting read with explanatory statement thereto	Nil
Shareholding in the Company as on March 31, 2018	1,72,080 i.e., 2.79 %	01 i.e., 0.00 %
Relationship with the other Directors, Manager and Other Key Managerial Personnel of the Company	(i) Rakesh Shantisarup Reniwal (Son) (ii) Unnati Reniwal (Daughter in law) and not related to any other Director/Key Managerial Personnel	Not related to any Director Key Management
No. of Board Meetings attended during the Financial Year 2017-18	16 out of 16	13 out of 16
List of other Indian Public Limited Companies in which Directorships held(1)	Nil	Nil
Chairperson/ Member of Committee(s) of Board of Directors of the Company (2)	Nil	Nil
Chairperson/ Member of the Committee(s) of Board of Directors of other Companies in which he is a Member / Chairperson(2)	Nil	Nil

Notes:

(1) This excludes directorships in the Company, Foreign Companies, Private Companies, Companies incorporated under Section 25 of the erstwhile Companies Act, 1956 and Companies incorporated under Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Memberships/ Chairmanships in only two committees' viz. Audit Committee and Stakeholders' Relationship and Share Transfer Committee of Public Limited Companies are considered.

ROUTE MAP FOR AGM VENUE



HARIYANA SHIP- BREAKERS LIMITED
Reg. Off: 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021
Tel: 022 – 22043211; Fax– 22043215 E-mail: contact@hariyanagroup.com
Website: www.hariyanagroup.com
CIN: L61100MH1981PLC024774

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HARIYANA SHIP- BREAKERS LIMITED
(CIN: L61100MH1981PLC024774)
156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Website: www.hariyanagroup.com; Email: contact@hariyanagroup.com;
Tel: 022-22043211; Fax: 22043215

ATTENDANCE SLIP FOR THIRTY SEVENTH (37TH) ANNUAL GENERAL MEETING ON SEPTEMBER 29, 2018 AT 9.30 A.M

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
Folio No. / DP ID and Client ID	
No. of Equity Shares	

I certify that I am a registered Member/ proxy/ representative of the Company and I hereby record my presence at the 37th Annual General Meeting of the Company ("AGM") at 156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021.

First/ Sole holder/ Proxy

Second holder/ Proxy

Third holder/ Proxy

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PROXY FORM

[As per MGT-11 & Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

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

**applicable in case of shares held in electronic form*

I/We, holding _______________ Equity Shares of the above named Company, hereby appoint:

1. Name: ____
   Address: ____
   Email ID: ____
   Signature: ____ or failing him / her
2. Name: ____
   Address: ____
   Email ID: ____
   Signature: ____ or failing him / her
3. Name: ____
   Address: ____
   Email ID: ____
   Signature: ____ or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **37th ANNUAL GENERAL MEETING** of the Company to be held on **Saturday, September 29, 2018** at **9:30 a.m.** at 156, Maker Chamber VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	**Resolution**	**Vote (Optional, see Note 3) (Please mention no. of shares)**	
		For	**Against**
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2018 alongwith the reports of the Directors and Auditors thereon		
2.	To re-appoint Mr. Shantisarup Reniwal (DIN: 00040355), who retires by rotation as a Director and being eligible, offers herself for re-appointment		
3.	To ratify/appoint Joint Statutory Auditors of the Company: a. Ratification of the appointment of M/s. P.D Goplani & Associates, Chartered Accountants, Bhavnagar (Firm Registration No. 118023W), as Joint Statutory Auditors of the Company, at same terms and conditions b. Appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W), as Joint Statutory Auditors of the Company		

Resolution No.	Resolution	Vote (Optional, see Note 3) (Please mention no. of shares)	
		For	**Against**
Special Business			
4.	To approve the revision in remuneration of Mr. Rakesh Reniwal (DIN: 00029332), Managing Director of the Company		
5.	To approve payment of remuneration to Mr. Shantisarup Reniwal (DIN: 00040355), Executive Director of the Company		
6.	To re-appoint Mr. Manohar Wagh (DIN: 02622648) as an Independent Director		
7.	To advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken		
8.	To approve continuation of holding of office of Executive Director and Chairman by Mr. Shantisarup Reniwal (DIN: 00040355) who is over the age of 70 (Seventy) years		

Signed this..........day of 2018

Affix Revenue Stamp

Note:

1. This form in order to be effective should be duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
2. Those Members who have multiple folios with different joint holders may use copies of this proxy.
3 It is optional to indicate your preference. If you leave the 'for' or 'against' any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate

HARIYANA SHIP- BREAKERS LIMITED
(CIN: L61100MH1981PLC024774)
156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Website: www.hariyanagroup.com; Email: contact@hariyanagroup.com;
Tel: 022-22043211; Fax: 22043215

E-COMMUNICATION REGISTRATION FORM

Dear Members,

The Ministry of Corporate Affairs and the Securities and Exchange Board of India have commenced Green Initiative by allowing paperless compliances by Companies. The Companies can send Annual Reports and General Notices in electronic mode to Members who have registered their e-mail addresses for the purpose.

It is a welcome move for the society at large as this will reduce paper consumption to a great extent and allow Shareholders to contribute towards a Greener Environment. This is a golden opportunity for every Shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

We therefore invite all our Members to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the enclosed registration form which is available on the website of the Company i.e. **www.hariyanagroup.com**.

Let's be part of this 'Green Initiative'!

Please note that as a Member of the Company you will be entitled to receive all such communication in physical form, upon request.

Best Regards
Shantisarup Reniwal
Chairman

E - COMMUNICATION REGISTRATION FORM
Folio No. / DP ID and Client ID:
Name of 1st Registered Holder:
Name of Joint Holder(s):
Registered Address:
E-mail ID (to be registered):
I/ We Member(s) of Hariyana Ship- Breakers Limited agree to receive communication from the Company in electronic mode. Please register my above e-mail address in your records for sending communication through E-mail. Date: .... Signature: ....

Note: Member(s) are requested to provide the e-mail ID very carefully, as all the communication from the Company shall be sent to the e-mail ID provided through this form. The Shareholders are also requested to keep the Company informed as and when there is any change in the registered E-mail address.

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REPORT OF THE BOARD OF DIRECTORS

(INCLUDES MANAGEMENT DISCUSSION AND ANALYSIS)

Dear Members,

The Board of Directors are pleased to present the Company's Thirty Seventh (37th) Annual Report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2018 ("year under review/ FY 2017-18").

Management Discussion and Analysis*

To avoid repetition of information, the Management Discussion and Analysis on performance of the Company is presented below.

FY 2017-18 was a landmark year due to implementation of much awaited Goods and Services Tax ("GST"). While sector experienced limited unfavourable impact early on due to roll out related disruptions, it gradually experienced steady recovery towards the end of the year. Your Company believes that this move has created a singular trading market across the country, creating an organised ecosystem under unified tax regime; expected to benefit both consumers and companies in the long run.

External Environment

1. Macroeconomic Condition

During the Financial Year 2017-18, the global economy continued its broad-based momentum and registered a growth of 3.8%, its strongest level since 2011, as more than half of the world's economies registered growth. Global manufacturing activity continued to grow on account of favourable financing conditions globally, accommodative policies, rising investor confidence and increase in commodity prices. Global economy was aided by rebound in global trade, investment recovery in advanced economies and continued growth in emerging Asia. Growth in advanced economies was driven by strong domestic demand and improved labour markets while emerging markets witnessed strong consumption and trade momentum. The United States of America ('US') witnessed a growth of 2.3% on the back of strong external demand, private investment and a weaker dollar. Demand was positively affected by the overhaul of the tax code in 30 years - the corporate income tax rate was slashed to 21% from 35% and taxes for households were also lowered. Strong domestic demand is also a recurring theme in Europe and Asia. Euro area registered a growth of 2.4%, which is almost 0.6% higher than previous year. Policy stimulus and strengthening global demand has contributed to this increase in growth. In Japan, strong domestic demand aided by recovery in consumer spending and investment helped achieve growth of 1.7%. Among the emerging and developing economies, China continued to maintain its growth rate at approximately 7%, aided by policy support and recovery in trade. Growth in India was 6.7% owing to consumption led growth influenced by Government policies and investments. Growth in Middle-East and sub-Saharan Africa was impacted by geo-political/ domestic conflicts. Overall, improved growth in US, Europe and other key regions more than offset the lower growth in other regions and helped sustain growth momentum.

2. Economic Outlook

According to International Monetary Fund ('IMF'), global growth is projected to rise to 3.9% in 2018 and 2019, closer to the long-term growth trend of 4%. The IMF estimates that the growth of more than 1.5% in 2017 in each of the world's seven biggest economies—the US, China, Germany, Japan, France, the UK and India— will provide an impetus to the world economy to achieve more robust growth in 2018. Advanced economies are expected to maintain their growth momentum in 2018. The US economy is projected by IMF to grow at a faster pace (2.7%) in 2018 aided by fiscal stimulus and policies. The euro area economic recovery has broadened across its member nations and is likely to be aided by rise in capex and consumption. Unemployment rate has reached its lowest level since 2009 and the European Central Bank ('ECB') is expected to keep interest rates unchanged and gradually scale back on asset purchases with an eye on economic growth. Among other key regions, China's GDP growth is likely to moderate to 6.5% in 2018 as the policy makers continue their efforts to promote quality growth. Supply side reforms through capacity cuts, rural revitalisation, urbanisation & housing reform and controlled pace of credit growth are likely to determine domestic demand and potential movement in commodity prices. As per IMF, India is expected to grow between 7.0% to 7.5% in Financial Year 2018-19 aided by rural development, infrastructure investment and expansion of manufacturing activity. Outlook for Middle-East and North Africa is gradually improving on the back of higher commodity prices. Structural issues though continue to pose a significant risk to the global growth cycle. While the supportive economic environment, policies and commodity prices are likely to aid growth in the short term, possible financial stress, increased protectionism and rising geopolitical tensions may pose as downside risks to growth. Further, restrictions by the US government on imports and other protectionist measures in Europe & other regions may disrupt global trade and investment adversely affecting global growth and sentiment. Also, high leverage levels among nations makes them financially vulnerable and any tighter financial conditions in US, Europe or China is likely to have adverse spill-over effect on global growth. Outcome of the Brexit negotiations is likely to impact the pace of recovery in UK as well as the Eurozone economy.

The following financial performance and analysis, details of various plants/segments is intended to convey the Management's perspective on the financial and operating performance of the Company at the end of Financial Year 2017-18. It should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India ('SEBI'). Aspects on industry structure and developments, outlook, risks, internal control systems and their adequacy and material developments in human resources have been covered hereinbelow.

Financial Performance and Analysis

(Rs. in lakhs)

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations(1)	15717.02	28591.32
Other Income	2087.60	3328.00
Total Revenue	**17804.62**	**31919.32**
Cost of raw materials consumed	5360.34	9311.82
Purchase of stock-in- trade	23404.46	19355.35
Chandes in inventories of finished goods, Stock-in-trade, work-in-process	(1388759)	(662.50)
Employee benefits expenses	178.79	128.29
Finance costs	390.75	786.69
Excise Duty	102.52	1046.52
Depreciation and amortization expenses	45.33	202.34
Other expenses	1185.21	517.82
Total Expenses	**16779.81**	**30686.33**
Profit / (Loss) before Exceptional Items and Tax	**1024.81**	**1232.98**
Exceptional Items	-	361.80
Profit / (Loss) before tax	**1024.81**	**871.19**
Less: Current Tax	51.67	107.71
Less: Deferred Tax	(7.82)	(173.27)
Profit / (Loss) after tax	**980.96**	**936.75**
Other Comprehensive Income	**0.46**	**-**
Total Comprehensive Income for the year	**981.42**	**936.75**
EBITDA(2)	1460.89	1860.22
Earnings Per Share (Face Value of Rs.10/- each)		
- Basic	15.91	15.19
-Diluted	15.91	15.19

PARTICULARS	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Fixed Assets (including Capital Advances and CWIP)	869.83	864.26
Investment	10707.53	6947.47
Net Assets (Current and Non Current)	46859.84	21932.86
Share Capital	616.67	616.67
Reserves and Surplus	**11840.99**	**10859.57**
Debt	31047.05	9883.39

Notes:

(1) *Effective July 1, 2017, Revenue is recorded net of GST, whereas earlier the same was recorded gross of excise duty which forms part of expenses. Hence, revenue from operations are not comparable with the previous period corresponding figures.*

(2) *Includes Other Income of Rs. 849.95 Lakhs (Previous Year Rs. 1763.03 Lakhs) and Finance income of Rs. 1237.65 Lakhs (Previous Year Rs. 1564.973 Lakhs).*

Revenue

Your Company reported Revenue of Rs. 15,717.02 lakhs during the year, as against Rs. 28591.32 Lakhs in the preceding financial year and profit after tax was Rs. 980.96 Lakhs as against Rs. 936.75 Lakhs in the preceding financial year.

The Company has not been able to perform well during the year in terms of total sales turnover due to various factors like fluctuations in the exchange rate of US Dollar vis-à-vis Indian Rupee and volatile prices of iron and steel products and volatile market conditions prevalent in the steel sector throughout the year. However, in such an uncertain market environment in Iron and Steel industry, the management took cautious approach to the prevalent affairs and avoided any venturous business decision in the interest of the Company which resulted in increased profit margin of the unit. Moreover, the management hope that the trading unit will show an increase in terms of sales as well as profits in the coming years.

Operating Profit (EBITDA)

The Operating Profit of the Company, including other income and finance income is Rs. 1,460.89 Lakhs (previous year Rs. 1,860.22 Lakhs). The EBITDA margin is at 9.29% and the Company is continuously making efforts to improve the same.

Finance Cost

Finance cost during the year was Rs. 390.75 Lakhs (down from Rs. 786.69 Lakhs in previous year).

Depreciation and Amortization Expenses

During the year, depreciation and amortization expenses decreased to Rs. 45.33 Lakhs from Rs. 202.34 Lakhs in previous year, due to disposal of fixed assets of Steel and Power division during the year.

DETAILS OF VARIOUS PLANTS/ SEGMENTS:

Ship Breaking & Trading (Bhavnagar)

During the financial year 2017-18, ship breaking at Alang Ship Breaking Yard and Trading Unit have performed well. During the year under review, the sales turnover of Ship Breaking & Trading Unit has been increased by almost 29%. The management is of the view that, in the coming years the ship breaking industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

Trading & Investment Unit (Mumbai - HO)

During the year under review, the Mumbai Trading Unit has not carried out any trading activities due to various factors like fluctuations in the exchange rate of US Dollar vis-à-vis Indian Rupee and volatile prices of Iron and steel products and volatile market conditions prevalent in the steel sector throughout the year.

However, in such an uncertain market environment in Iron and Steel industry, the management took cautious approach to the prevalent affairs and avoided any venturous business decision in the interest of the company which resulted in increased profit margin of the unit. Moreover, the management hope that the trading unit will show an increase in terms of sales as well as profits in the coming years.

Overall, since the prices of iron and steel having been reasonably stabilized and the inventory levels of the company and its market position, both the segments of the company, viz. Ship Breaking and Trading (Bhavnagar) and Trading & Investment (Mumbai), are expected to see major increase in terms of Gross Revenues and Net profit Margins in the coming year. The Company is hopeful that with the stabilizing price for the old ship in the international market and also sale prices of companies products in the domestic market; the company will be able to improve the turnover and also the profitability in the coming year.

The activities of the company viz. trading in Ferrous and Non Ferrous Metals, Scrap etc. are contributing considerably to the profitability of the company. Moreover, the investment division of the company is also doing well. Your directors see a very positive and bright future prospects ahead for the company looking to the prevailing upward trend in the Iron and Steel sector in India and internationally.

Industrial Gases:

The company is into a partnership in M/s. Hariyana Air Products (with 95% share) for the manufacture and supply of Industrial Oxygen Gas. Moreover, the partnership firm has started trading activities in ferrous and non ferrous metals. During the year the firm has performed well in terms of Sales Turnover as Revenue from operations for the year were Rs. 1683.92 Lakhs against Rs. 92.95 Lakhs for the preceding financial year. Consequently, the firm was able to increase its profit margin as well. Net profit after tax of the firm was Rs. 121.74 Lakhs. Further, with proximity to Alang Ship Breaking Yard and huge captive consumption requirements of group companies, the firm expects good long term benefits from the said partnership venture.

Real Estate & Construction:

The Company is also taking interest into real estate business. For which has been into Partnership in the name of “White Field Projects” (with 40% share) for construction & selling of residential apartments. The construction work of the Project is fully completed and all of the flats have been sold. The company’s share of loss from the firm during the year under report is Rs. Nil.

The Company has also been into partnership (with 33.33% share) M/s. “Swastik Developers” for construction of building. The firm has acquired 66 Acres of land in Goa. The project is expected to commence soon.

The company has also been into partnership in M/s. “White Mountain” (with 25% share). Presently the firm has completed one project at Thindlu, Indrasanahalli & Singrahalli Village, KundanaHobli, Devanahalli Taluk. The firm has acquired 44 acres and 20 Guntas of land with the object of developing 386 plots of various sizes. Firm has completed plot development work in December 2016 and already booked 342 plots till 31.03.2018. The company’s share of profit from the firm is Rs. 190.84 Lakhs for the year ended on March 31, 2018.

The company has also been into partnership in M/s. “Orchid Lakeview Developers” (with 33.33% share). The firm is having the project at Bellandur Village, VarthurHobli, Bangalore, East Taluk with an object of construction 2 & 3 BHK apartments consisting 336 appartments. The company’s share of profit from the firm is Rs. 523.93 Lakhs for the year ended on March 31, 2018.

The company has also entered into partnership and formed a partnership firm “Goyal Hariyana Realty” (with 50% share). Presently firm is having one Project at Bellandur. This location is situated at Bellandur Village, Varthur Hobli. Bangalore East Taluk. Total 336 Apartments, of 2 BHK and 3 BHK. The Project has already been completed and ready to give possession, and firm has already booked 274 apartments and Registration done for 262 apartments till 31.03.2018. The company’s share of profit from the firm is Rs. 154.21 Lakhs for the year ended on March 31, 2018.

The company has also entered into partnership and formed a partnership firm “Shree Balaji Associates” (with 5% share). The firm is engaged in the business of trading in iron & steel, coal and real estate. The company’s share of loss from the firm is Rs. 8.59 for the year ended on March 31, 2018.

The company has also entered into partnership and formed a partnership firm “Hariyana Developers” (with 51% share) for redevelopment of old buildings, construction of new buildings and real estate activites. The firm is entitled to development right in respect of 8 properties admeasuring 6492.62 Sq. Mtrs. of land and structures at Pant Nagar, Ghatkoper (East), Mumbai. The project is expected to commence soon.

Industry Overview

Alang is witnessing a drastic shift especially towards green ship recycling and it is reimaging its outlook by following all the certification, upgrading infrastructure, safety standards, and being environmentally conscious. Ship recycling in India contributes around 1 to 2% for domestic steel demand and most of dismantled ship scraps are recycled and reused.

The shipbreaking industry at Alang in Gujarat witnessed a 12 per cent drop in business during the just-ended fiscal 2017-18, as a two-year-old ship recycling policy struggled to infuse fresh life in to a sector that is increasingly being challenged by competition from neighbouring Pakistan and Bangladesh.

In 2017-18, a total of 253 ships weighing over 24.33 lakh Light Displacement Tonnage (LDT) beached at the shores of Alang that houses one of the world’s largest ship recycling yard. This is 12 per cent less compared to the 259 ships and 27.75 lakh LDT that was broken, reveals data from the Gujarat Maritime Board (GMB), the state’s nodal agency that controls all shipbreaking activities at the yard in Bhavnagar district.

The business at Alang is nowhere close to the highs witnessed in 2011-12 when a record 414 ships with 38.56 lakh LDT were broken at this yard having about 170 dedicated plots for shipbreaking activity. In the last seven years between 2011 and 2017, the tonnage of ships broken at the yard annually has fallen by 37 per cent.

Not a single new player has entered Alang in the last two years after the new ship-recycling policy took effect. Only 130 of the 154 plots at Alang are currently occupied. Others are still lying empty. Secondly, the demand from construction sector for recycled steel in India is low this year. The new policy has attracted hardly any new players and the banks have also tightened their lending and not giving finance.

Ship-breakers feel that their counterparts in Bangladesh and Pakistan are able to pay more and the new ship-recycling policy introduced by the Gujarat government in January 2016 has not been able to attract new players to the sector. The demand of the ships is more in Bangladesh and Pakistan compared to India. The main source of steel for both of them is end-of-life ships. The ship-breakers in Bangladesh and Pakistan are able to pay USD 20 more for every tonne. Indian ship-breakers are able to offer about $420-430 per tonne in the international market, while they offer about USD 450-460 for the same ship and so the ship owners divert their ships to the neighbouring countries.

The business dynamics of the ship-recycling industry is an interesting paradox. If the global shipping industry is going through a good cycle, the recyclers will become jobless. If the global shipping industry is performing badly, the recyclers will get good business as more ships will be sent to scrapping yards. The current global economic tide is favouring ship-breakers.

The shipping industry is currently in rough waters. The Baltic Dry index, which measures freight rates for commodity bulk carriers, has fallen by around 95 per cent since its peak in 2008. Of the top 12 shipping companies in the world, 11 are posting quarter-on quarter losses. The global shipping industry may lose as much as $10 billion on revenues of $170 billion in 2017, estimate industry experts.

It is these woes of the shipping industry that are building up hopes across the ship-recycling yards of Alang. The world’s largest ship-recycling yard had its dream run in 2011-12 when it broke 415 ships. Alang has a capacity of dismantling 450 ships a year and re-rollable steel capacity of 4.5 million tonnes per annum. From then on, it was a steep fall. The number of ships in 2012-13 fell to 394 and then to 298 in 2013-14. In 2014-15, only 275 ships were scrapped, while that number further fell to 249 ships in 2015-16. Fair weather appears to have returned to Alang with 315 ships having been broken in the previous financial year of 2016-17, according to data from the Ship Recycling Industries Association.

A favourable business cycle has brought cheers to nearly 40,000 workers of the ship-breaking industry. Moreover, another about 1,00,000 people indirectly employed by ancillary industries and related activities such as steel re-rolling industry and shops selling everything in a ship from cutlery to ropes to furniture and computers - are also having a good time as the tide turns for the ship-recycling industry. The proposed clean-up legislation could put Alang back in business like never before.

Industry's Initiative/ Structure and Developments

A proposed eco-friendly law may further boost the prospects of ship-breaking industry, as it returns to a buoyant business cycle.

India has begun cleaning up its tarnished ship-breaking industry. Accordingly, the Union government has drafted a law to implement the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. This convention was adopted by the International Maritime Organization (IMO) in 2009.

A draft legislation to implement the Hong Kong Convention to make the ship-recycling industry safe for its workers and the environment is now undergoing pre-legislative consultations. The Hong Kong convention is yet to come into force as it has not been ratified by 15 countries, representing 40 per cent of the world's merchant shipping by gross tonnage. Only six countries - Norway, Congo, France, Belgium, Panama and Denmark - have ratified it so far. The proposed Safe and Environmentally Sound Recycling of Ships Bill, 2016 aims to give effect to the provisions of the Hong Kong Convention. The Bill makes it mandatory for ships to carry out all recycling activities in a safe manner and according to global practices. Any violation in this regard could attract a fine of Rs 10 lakh and a six-month imprisonment.

Since 2015, around Rs 10,000-crore Indian ship-recycling industry has voluntarily started adopting global best practices in dismantling discarded ships. The industry has taken up this clean-and-green initiative even before the legislation was enacted. Some 55 of the 120 working yards have won the Hong Kong Convention's compliance certificates from global ship classification societies. Another 15 other yards are being audited for certification.

Alang, the world's largest ship-breaking yard in south Gujarat's Bhavnagar district, which was set up in 1982 by Gujarat Maritime Board, rapidly grew into one of the major, global, ship-recycling hubs and has been undergoing encouraging changes in the past few years. The new Alang is clean and green. Most of the yards have clean and cemented platforms. Scrapped steel, computers and huge engine parts are properly stored in neat and clean temporary storage facilities. Even half-scrapped ships display red ribbon warning signs to workers on duty. Besides, almost all workers wear helmets, safety jackets and boots. The situation in Alang has been improving for the better in the past two years. Meanwhile, India is upgrading the ship-recycling yards in Alang through a $76-million soft loan from the Japan International Cooperation Agency. The upgrade envisages concrete floors to prevent pollutants from entering the sub-soil and improvement of workers' safety conditions and environmental safeguards.

As Alang gets its clean-up act together, ship-breaking companies are betting big on brightening business prospects. The deserted scrapping beaches are now full with ships. The ship-breaking yards are buzzing with activity as huge vessels are dismantled by scores of workers. Back in Bhavnagar, about 50 km from Alang, ship-recycling companies are busy firming up deals with scrap dealers, steel re-rollers, logistics suppliers and buyers of second-hand electrical items, furniture, computer and kitchen cabinets.

Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel.

Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.

The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US$ 30 million).

Business Overview

The company is in the business of ship breaking, trading and investment activities.

During the financial year 2017-18, witnessed frequent fluctuation in the prices of old ship in the international market and also heavy dollar exchange rate fluctuations. This has adversely affected the sales turnover of the company. However, in such an uncertain market environment in Iron and Steel industry, the management took cautious approach to the prevalent affairs and avoided any venturous business decision in the interest of the company which resulted in increased profit margin of the unit. Moreover, the management hope that the trading unit will show an increase in terms of sales as well as profits in the coming years.

Moreover, the prices in Iron and steel industry are gradually getting stabilized, but foreign currency and fluctuations in value of Indian Rupee vis-à-vis US Dollar remains a concerning area for the company even in the current year. The management is exercising caution in purchase of ships for breaking to optimize the profit margin and minimize the possibilities of losses, if so happens.

Whenever, there is no immediate payment liability against old ship purchased for breaking, the surplus funds available with the Company are given as loan on short term basis. The Company is hopeful that the Company can earn reasonable return on this loans/investments.

As and when surplus funds are available with the Company, the Company lent the same with a view to earn interest and short term and long term capital gains. The Company has entered into partnership in various construction and real estate projects and has acquired a major share in such real estate investments. Such projects are expected to yield good profits to the Company in short to medium term of periods.

Segmental Review

During the financial year 2017-18, ship-breaking & trading unit is expected to grow substantially in coming years. Due to fluctuating and volatile prices of old Ships, Iron and Steel products coupled with fluctuations in value of Indian Rupee vis-à-vis US Dollar during the year, the net profit margins of this segment has been affected. No trading activities were carried out during the year under review. However, the management is of the view that, in the coming years the ship breaking industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

Ship breaking & Trading (Bhavnagar):

As has been stated in the out-look, due to fluctuations in the exchange rate of US Dollar vis-à-vis Indian Rupee and steep decrease in prices of Iron and steel products and volatile market conditions. During the year under consideration, total sales were Rs. 15,717.02 Lakhs as against Rs. 12,229.67 Lakhs. Ship-breaking unit at Alang Ship Breaking Yard has outperformed and shown a growth.

Trading & Investments (HO-Mumbai):

During the financial year 2017-18, the company has not performed any trading activities due to fluctuating and volatile prices of old ships, Iron and Steel products. The management is of the view that, in the coming years the iron and steel industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

Segment -wise Standalone Ind as Financial Results

(Rs. in Lakhs)

Particulars	Trading & Investment (Mumbai)	Ship-Breaking & Trading (Bhavnagar)	Total
a) Revenue from External Source	-	15717.02	15717.02
b) Segment Results Before Interest and Taxes	725.37	690.18	1415.55
c) Segment Assets	17655.91	29203.93	46859.84
d) Segment Liabilities	694.68	33707.51	34402.19

Standalone Cash Flow Analysis

(Rs. in Lakhs)

Particulars	March 31, 2018	March 31, 2017
- Net Cash Flow from Operating Activities	742.02	(4673.66)
- Net Cash Outflow from Investing Activities	4573.13	5218.70
- Net Cash Outflow from Financing Activities	(899.82)	(609.68)
Net Cash Inform/(Outflow)	**4415.33**	**(64.63)**

Risk Management

Effective governance and risk management form the bedrock of a company's sustained performance. Risk management aims to identify and then manage threats that could severely impact the organization. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The objectives are to optimize business performance, minimize adverse impact on the business, protect it from damages, frauds and enhance stakeholder value.

The framework revolves around rigorous implementation of standardized policies and processes and development of strong internal control systems. Your Company has set up internal controls and policies related to financial reporting of transactions and efficient business operations in compliance with relevant laws and regulations. Internal reporting systems are in place for effective measurement of various business parameters related to revenue, expenses and reporting, in line with the provisions of the Act.

The Company operates in an interconnected world with stringent regulatory and environmental requirements, increased geopolitical risks and fast-paced technological disruptions that could have a material impact across the value chain of the organisation. The Company's finished products are mainly re-rollable scrap generated from ship breaking and the price of the same is linked to the market rate for iron and steel. Any fluctuation in the price of the iron and steel affects the profitability of the Company. Thus, the Company is exposed to the risk from the market fluctuations of foreign exchange as well as the fluctuation in the price of iron and steel. The Company's raw material is old ships which are purchased from the international market on credit ranging up to 180 days to 360 days. The Company is adopting policy of full hedging or covering the foreign exchange requirement. The Company is regularly monitoring the foreign exchange movement and suitable remedial measures are taken as and when felt necessary.

Though the Company is employing such measures, the Company is still exposed to the risk of any heavy foreign exchange fluctuation.

In addition to the above, the Company is also exposed to the risk of fluctuation in the real estate and construction and redeveloping market as the Company has invested some of its surplus funds in partnership firm engaged in such business. The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company.

Outlook – Way Forward

Your Company expects FY 2018-19 to be better as the after-effects of demonetisation and GST implementation seem to have subsided. As per economic surveys, India continues to be the fastest growing economies in the world, and is expected to continue in FY2018-19 as well. This is supported well by favourable factors such as policy reforms. The Company expects to take advantage of the growth opportunity provided by the Indian economy.

India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy that has been approved by the Union Cabinet in May 2017 is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

India is expected to experience sustained growth in short to medium term driven by growth in steel consuming sectors, revival of rural demand, increased spending on infrastructure amongst others. Further, the conducive government stance towards the steel industry through policies focusing on 'Make in India' and Smart City Mission reinforces India's stance as an attractive place for the steel industry. India continues to be an attractive region for steel given its low per capita consumption of approximately 65 kg (world average of 208 kg, China 493 kg). This shows that there is significant headroom for consumption growth. The Company expects to take advantage of the growth opportunity provided by the Indian economy.

Your directors see a very positive and bright future prospects ahead for the company looking to the prevailing upward trend in the Iron and Steel sector in India and internationally.

The management is of the view that, in the coming years the ship breaking industry will be stable and with expected boost in the economy the requirement of iron and steel will increase which will help the company to move towards its sustained path of growth.

***References:** The Indian Express, Media reports, Press releases, Press Information Bureau (PIB), Joint Plant Committee (JPC), S&P Global Platts.*

Internal financial controls and its adequacy

Internal financial control systems of the Company are commensurate with its size and nature of its operations. These have been designed to provide reasonable assurance with regard to the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information and disclosures.

Systems and procedures are periodically reviewed and these are routinely tested by Statutory as well as Internal Auditors and cover all functions and business areas. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Human Resources

Your Company treats its "human resources" as one of its most important assets.

We continuously invest in attraction, retention and development of talent on an ongoing basis. Our thrust is on the promotion of talent internally through job rotation and job enlargement. We believe in harnessing its leadership and people capabilities through sharp focus and initiatives on talent development.

We review our talent based on their performance and potential to assess their readiness for future roles of higher scale and complexity. We believe in developing our employees through multiple experiences requiring them to handle scale and complexity. We have instituted this through varied job rotation and project roles. We have put in place various recognition initiatives for our employees to reward them on their noteworthy performance and contribution.

Our Company is committed to providing work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is also dedicated at promoting a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti Sexual Harassment Framework through which we address complaints of sexual harassment at the workplace. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. We have also constituted Complaints Committee to consider and address sexual harassment complaints in accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Consolidated Financial Statement

As per applicable provisions of the Companies Act, 2013 ("the Act"), if any read with the Rules issued thereunder and in accordance with principles and procedures as set out in the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, the Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 have been prepared.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'.

The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

Details of Subsidiary/Joint Ventures/Associate Companies

The Company has no subsidiary, associate companies or joint venture companies within the meaning of Section 2(6) and 2(87) of the Act and thus, pursuant to the provisions of Section 129(3) of the Act, the statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is not required to be attached to the financial statements of the Company.

Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Dividend

Your Directors have considered it financially prudent in the long term interest of the Company to reinvest the profits into the business of the Company, to build strong reserve base, meet the funds requirement and grow the business of the Company. Thus, your Board of Directors regret their inability to recommend any dividend for the year ended March 31, 2018.

Loans, Guarantee & Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as on March 31, 2018, if any, form part of the *Notes to the Standalone Financial Statements* provided in this Annual Report.

Contracts or Arrangements with Related Parties

As per the provisions of Section 188(1) of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations, all contracts/arrangements/transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis.

All Related Party Transactions entered into during the year under review were approved by the Audit Committee and the Board, from time to time and the same are disclosed in the Financial Statements of your Company for the year under review.

Further, pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has, on recommendation of its Audit Committee, adopted a Policy on Related Party Transactions and the said policy is available on the website of the Company i.e. **www.hariyanagroup.com.**

Further 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. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Accordingly, Form AOC-2 prescribed under the provisions of Section 134(3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 for disclosure of details of Related Party Transactions which are "not at arm's length basis" and also which are "material and at arm's length basis", is not provided as an annexure to the Board's Report.

Directors and Key Managerial Personnel (KMP)

Inductions

Mr. Rakesh Reniwal (DIN: 00029332) as the Managing Director of the Company for a period of 3 years w.e.f. April 01, 2017, approved by shareholders vide special resolution passed in the last Annual General Meeting held on September 30, 2017.

Re-appointments

- In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Shantisarup Reniwal, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has recommended his re-appointment at the forthcoming Annual General Meeting.
- The term of office of Mr. Manohar Wagh, as an Independent Director, will expire on March 31, 2019. The Board of Directors, on recommendation of the Nomination and Remuneration Committee has recommended re-appointment of Mr. Manohar Wagh, as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office.

Resignations

- Mr. Shantisarup Reniwal (DIN: 00040355) has stepped down from the position of Managing Director of the Company, however, continuing as an Executive Director on board of the Company w.e.f. April 01, 2017. The Board places on record its deep appreciation and gratitude for the valuable contribution and advice offered by Mr. Shantisarup Reniwal during his tenure as Managing Director of the Company and looking forward to the same participation and contribution further as a member of the Board.
- During the year under review, Mr. Rajeev Reniwal resigned as the Chief Financial Officer (CFO) of the Company w.e.f. March 27, 2018. The Board places on record its deep appreciation and gratitude for the valuable contribution and advice offered by Mr. Rajeev Reniwal during his tenure as CFO of the Company.

All the Independent Directors of the Company have given their respective declarations stating that they meet the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year. During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

Further, the list of the present Directors and KMP forms part of this Annual Report under the section Company details.

Performance Evaluation of the Board

In terms of the provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Nomination Policy of the Company, NARC and the Board have approved a framework, which lays down a structured approach, guidelines and processes to be adopted for carrying out an evaluation of the performance of the Board, its Committees and individual Directors.

During the year under review, the Board carried out the evaluation of its own performance and that of its Committees and the individual Directors.

The evaluation process focused on various aspects of the functioning of the Board and its Committees, such as composition of the Board and Committees, attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, experience and competencies, performance of specific duties and obligations, governance issues etc. The Board also carried out the evaluation of the performance of individual directors based on criteria such as contribution of the director at the meetings, strategic perspective or inputs regarding the growth and performance of the Company etc.

Outcome of the Evaluation

Board:

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman alongwith assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The performance evaluation of the Board is carried out taking into account the various parameters like composition of Board, process of appointment to the Board, common understanding amongst Directors of their role and responsibilities, timelines and content of Board papers, strategic directions, advice and decision making, etc. The Board also notes the actions undertaken, pursuant to the outcome of previous evaluation exercises.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

Committees of the Board:

The Committee's self-assessment is carried out based on degree of fulfillment of key responsibilities, adequacy of Committee composition, effectiveness of meetings, Committee dynamics and quality of relationship of the Committee with the Board and the Management.

The Independent Director(s) also evaluated the performance of Non-Independent Directors, the Chairman of the Board and the Board as a whole at the meeting of Independent Director(s) held on March 31, 2018. The outcome and feedback from Directors was discussed at the respective meetings of Board, Committees of Board and meetings of Independent Directors.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and necessary steps will be taken going forward.

The details of the evaluation process are set out in the Corporate Governance Report which forms a part of this Annual Report.

Number of meetings of the Board

During the year 16 (Sixteen) Board meetings were held. The details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings are provided in the Corporate Governance Report.

Committees of the Board

A. AUDIT COMMITTEE:

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

The details pertaining to Audit Committee and its composition are included in the Corporate Governance Report which forms part of this report.

B. NOMINATION AND REMUNERATION COMMITTEE ('NARC'):

Your Company has a duly constituted NARC, with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations. The detailed information with respect to the NARC is disclosed in the Corporate Governance Report forming part of this Annual Report.

Nomination Policy and Remuneration Policy/ Philosophy

The Board has, on recommendation of the NARC, adopted a Nomination Policy, which enumerates your Company's policy on appointment of Directors and Key Managerial Personnel ("KMP"), including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act.

The Nomination Policy is enacted mainly to deal with the following matters, falling within the scope of the NARC:

- to institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed as KMP and/or in senior management and recommend to the Board of Directors their appointment and removal from time to time;
- to devise a policy on Board Diversity;
- to review and implement the succession and development plans for Managing Director, Executive Directors and Senior Managers;
- to formulate the criteria for determining qualifications, positive attributes and independence of Directors; and
- to establish evaluation criteria of Board, its Committees and each Director.

Further, the Board has, on recommendation of the NARC, also adopted a policy entailing Remuneration Philosophy, which covers the Directors, KMP and employees included in Senior Management of the Company.

While formulating this policy, the NARC has considered the factors laid down under Section 178(4) of the Act, which are as under:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel 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.

Both the aforesaid policies are available on the website of the Company i.e. www.hariyanagroup.com.

C. STAKEHOLDERS' RELATIONSHIP & SHARE TRANSFER COMMITTEE:

The details pertaining to composition of the Committee is included in the Corporate Governance Report, which forms part of this report.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR COMMITTEE"):

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has a duly constituted CSR Committee comprising the following members:

Sr. No.	Name of Member	Designation
1	Mr. Rakesh Reniwal	Chairman
2	Mr. Pradeep Bhatia	Member
3	Mr. Tejas Thakker	Member

Mr. Shantisarup Reniwal, Chairman and Executive Director of the Company, is the Permanent Invitee to the CSR Committee Meetings.

Policy on Corporate Social Responsibility ("CSR")

The Board has, with a vision "to actively contribute to the social and economic development of the communities in which your Company operates and in doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index", adopted a CSR Policy and the same is available on the website of the Company i.e. www.hariyanagroup.com.

The CSR Policy of the Company also mentions the process to be implemented with respect to the identification of projects and philosophy of the Company, alongwith key endeavours and goals i.e.,

- Education - to spark the desire for learning and knowledge;
- Health care - to render quality health care facilities to people living in the villages and elsewhere;
- Sustainable Livelihood - to provide livelihood in a locally appropriate and environmentally sustainable manner;
- Infrastructure Development - to set up essential services that form the foundation of sustainable development; and
- Social Cause - to bring about the Social Change we advocate and support.

Corporate Social Responsibility (CSR) initiatives taken during the year

In terms of section 135 and Schedule VII of the Act, the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website i.e., **www.hariyanagroup.com**.

Your Company's CSR activities are mainly focused towards Literacy, Education, Skilling, Health and Sanitation.

During the financial year ended March 31, 2018, based on these rules the Company incurred Rs. 19,00,000 (Rupees Nineteen Lakhs only) towards Corporate Social Responsibility.

The Company's CSR policy statement and annual report on the CSR activities undertaken during the financial year ended March 31, 2018, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **Annexure-I** to this report.

Extract of Annual Return

The extract of the Annual Return of the Company as on March 31, 2018 in Form MGT - 9 in accordance with Section 134(3)(a), Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, is appended as **Annexure-II** to the Board's Report.

Corporate Governance

A separate section on Corporate Governance forming part of the Board's Report is included as Annexure-III to the Board's Report.

Auditors and Auditors' Report

Statutory Auditors

M/s. P. D. Goplani & Associates, Chartered Accountants, Bhavnagar, having ICAI Firm Registration No. 118023W, were appointed as Auditors of the Company, at the Annual General Meeting held on September 30, 2017, for a term of 5 (five) consecutive years i.e. to hold office from the conclusion of 36th Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022 subject to their ratification at every AGM. Accordingly, business with respect to the same forms part of the Notice of the ensuing 37th AGM of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. Also, no frauds in terms of the provisions of Section 143(12) of the Act, have been reported by the Statutory Auditors in their report for the year under review.

Secretarial Auditors

The Board had appointed M/s. Dilip Bharadiya & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the FY 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure-IV** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Board of the Company at its meeting held on May 30, 2018 has re-appointed M/s. Dilip Bharadiya & Associates, Practicing Company Secretaries (Certificate of Practice No. 7956), to undertake the Secretarial Audit of the Company for the financial year 2018-19.

Joint Auditors

Pursuant to provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 and on recommendation of the Audit Committee, the Board proposed and recommended to Shareholders for the appointment of M/s. Lahoti Navneet & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 116870W) as Joint Statutory Auditors of the Company for a period of 4 years i.e. to hold office from the conclusion of this Annual General Meeting until the conclusion of 41st Annual General Meeting of the Company to be held in the financial year 2022.

Further, the Joint Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company for financial year 2018-19.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state that:

(i) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and loss of the Company for the financial year ended March 31, 2018;

(iii) proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;

(v) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively;

(vi) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The Company makes all efforts towards conservation of energy, protection of environment and ensuring safety.

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is as follows:

A. **Health, Safety and Environment:** The Company aims to provide a safe and healthy workplace to our employees, visitors and contract workers and achieve high standards of environment protection. We are certified to the following:

Certificate No./ Standard	Description/Compliance/Requirement
ISO 9001:2008 Quality Management System	Sale of steel, recyclable items from ship and machineries derived from ship recycling and handling of hazardous and non- hazardous material
ISO 14001:2004 Environmental Management System	Selection of vessel for ship recycling, ship recycling including all material on Board of the ship, handling and disposal of hazardous (including asbestos, PCB, oily waste) and non- hazardous wastes and sale of items derived from ship recycling including ferrous and non-ferrous metal, reusable machineries, equipments materials (insulation oil, batteries)
ISO 30000:2009 Ship and Marine Technology-Ship Recycling Management Systems	Safe Environmentally Sound and Green Ship Recycling including hazardous (including asbestos, PCBs, oily waste) and non- hazardous material handling. Also, sale of steels, equipments, machines obtained from the ship
OHSAS 18001:2007 Occupational Health and Safety Management System	Selection of vessel for ship recycling, ship recycling including all material on Board of the ship, handling and disposal of hazardous (including asbestos, PCB, oily waste) and non- hazardous wastes and sale of items derived from ship recycling including ferrous and non-ferrous metal, reusable machineries, equipments materials (insulation oil, batteries)
SHIP-MS-48	Certifying compliance with the standard ISO 30000:2009- Ship Recycling Activities and Sale of Recyclable Material such as steel, equipment, machineries and other materials obtained from ship
EU SRR 034	Certifying compliance with the requirements set out in Article 13 of Regulation (EU) No. 1257/2013 of the European Parliament and of the Council 20 November 2013 on ship recycling and amending Regulation (EC) No. 1013/2006 and Directive 2009/16/EC
IRQS/1721605	Statement of compliance under the provisions of Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009

Also, the Company has been confirmed as a firm engaged in ship recycling and that the operations and procedures that are in place at the facility are in accordance with IMO Resolution MEPC. 210(63) – 2012 Guidelines for Safe and Environmentally Sound Ship Recycling, giving recommendation for the Safe and Environmentally Sound Recycling of Ships and implementation of the Hong Kong International Convention 2009.

The Company has been compliant under applicable provisions of the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Waste (Management Handling and Tran boundary Movement) Rules 2008.

Further, the Company is a valid member of Gujarat Enviro Protection & Infrastructure Ltd. (Unit Alang) for Integrated Common Hazardous Waste Management Facility.

B. Conservation of energy:

(i) the steps taken or impact on conservation of energy;

(ii) the steps taken by the Company for utilising alternate sources of energy;

In light of the global challenges concerning energy security, the Company considers energy management as one of the key components of its responsible business strategy. The Company recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has implemented various initiatives for the conservation of energy and all efforts are made to minimize energy costs. Company is engaged in Ship Breaking, trading in metal scrap, graphite electrodes and other industrial inouts. No significant power consumption is required in ship breaking industry as major portion in production process consist of non mechanical processes. However, industrial gases are used in ship dismantling activities and the Company has taken various measures to control the consumption of fuel and energy.

(iii) the capital investment on energy conservation equipments;

The Company is taking adequate steps to conserve energy though no such capital investment has been made.

C. Technology absorption:

The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products. The Company's operations do not require significant absorption of technology. There has been no import of technology in FY 2017-18.

D. Foreign exchange earnings and Outgo:

Particulars	Current Year			Previous Year		
	INR	USD	EUR	INR	USD	EUR
Foreign Exchange Earnings	-	-	-	-	-	-
Foreign Exchange Outgo	1,31,99,39,450	1,48,02,816.89	44,22,976.49	2,87,84,23,289	4,24,96,247.35	-

Vigil Mechanism

The Whistleblower Policy has been approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations which provides a formal mechanism to the employees, business associates and stakeholders of the Company to, inter-alia, report any instances of financial irregularities, breach of code of conduct, abuse of authority, disclosure of financial/ price sensitive information, unethical / unfair actions concerning Company vendors/ suppliers, malafide manipulation of company data/records, actual or suspected fraud or discrimination to the Company's Code of Conduct in an anonymous manner.

The policy of vigil mechanism is available on the Company's website i.e. www.hariyanagroup.com.

Particulars of Employees

A) The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-18; and

b. Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, if any, for the Financial Year 2017-18:

Sr. No.	Name	Designation	Remuneration for the Financial Year 2017-18	Percentage Increase / (Decrease) in remu-neration in the Financial Year 2017-18 (%)	Ratio of Remu-neration of each Director to Median Remuneration of Employees
1.	Rakesh Reniwal	Managing Director	3,15,000	-(1)	-(2)
2	Swati Chauhan	Company Secretary	4,40,000	Nil	-

Notes:

(1) During the year under review, Mr. Rakesh Reniwal, was appointed as the Managing Director of the Company, for a period of 3 years, with effect from April 1, 2017 while remuneration w.e.f. October 01, 2017 was paid to him as approved by the Board of Directors in their meeting held on October 10, 2017 based on recommendation of NARC, subject to the approval of the Members of the Company at the ensuing Annual General Meeting. Accordingly, details mentioned in the above table comprise details of the remuneration paid to him in capacity of Managing Director from October 01, 2017 upto March 31, 2018, whereas during the previous year, he has not been paid any remuneration. Hence, the remuneration paid to him during the year under review is strictly not comparable with the previous year.

(2) Remuneration of Mr. Rakesh Reniwal mentioned in the above table are relatable to the half year i.e., period from October 01, 2017 upto March 31, 2018, whereas the remuneration of the permanent employees comprise the remuneration paid to them for the full year. Likewise, the Company's operations are such that it employs labourers on daily/monthly wages whose term of employment is not fixed and are not permanent employees of the Company. Hence, the ratio of remuneration of each director to median remuneration of employees cannot be reckoned.

c. Percentage increase in the median remuneration of employees in the financial year:

There is no increase in the remuneration of employees in the financial year and hence the information cannot be furnished.

d. **Number of permanent employees on the rolls of Company:** 05

e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Percentile increase in the managerial remuneration (i.e. Managing Director) cannot be calculated as remuneration has been paid to him in capacity of Managing Director from October 01, 2017 upto March 31, 2018, whereas during the previous year, he has not been paid any remuneration. Hence, the remuneration paid to him during the year under review is strictly not comparable with the previous year. While the average remuneration of the employees of the Company other than Managerial Personnel has no change and hence the information cannot be furnished. Further, such increase/ decrease is not comparable for the reasons as mentioned in Notes to Point No. (a) and (b) above.

f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid to:

- Directors, KMP and members of Senior Management is as per Remuneration Philosophy/Policy of the Company; and
- other employees of the Company is as per the Human Resource Philosophy of the Company.

B) **The information required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Details as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member.

Having regard to the provisions of Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company 21 days before the AGM and upto the date of the ensuing AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Familiarization Programme

The Company conducts Familiarization Programme for the Independent Directors to enable them to be familiarized with the Company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. They are provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole.

Further, when a new Director is inducted on the Board, they are provided with necessary documents/ brochures, reports, internal policies, strategy and such other operational information to enable them to familiarise with the Company's procedures and practices. Site visits to various plant locations are organised for the Independent Directors to enable them to understand and acquaint with the operations of the Company.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are made at the separate meetings of the Independent Directors from time to time.

The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at **www.hariyanagroup.com**.

Sexual harassment of women at workplace

Your Company is committed towards providing a work environment that is professional and mature, free from animosity and one that reinforces our value of 'integrity' that includes respect for the individual. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has adopted a Policy on Prevention of Sexual Harassment at Workplace. This policy is applicable to all employees, irrespective of their level and it also includes 'Third Party Harassment' cases i.e. where sexual harassment is committed by any person who is not an employee of the Company. The said policy is available on the website of the Company i.e. **www.hariyanagroup.com**. Internal Complaints Committees have also been set up to redress complaints received regarding sexual harassment.

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

Other Disclosures

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company additionally discloses that, during the year under review:

- there was no change in the nature of business of your Company;
- your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on March 31, 2018, there were no deposits which were unpaid or unclaimed and due for repayment, hence, there has been no default in repayment of deposits or payment of interest thereon;
- your Company has not issued any shares with differential voting rights;
- your Company has not any Sweat Equity Shares; and
- no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status operations of your Company in future.

It is further disclosed that:

- There is no plan to revise the Financial Statements or Directors' Report in respect of any previous financial year.
- No Material changes and commitments have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report affecting the financial position of the Company.
- Your Company does not engage in Commodity hedging activities.

Corporate Governance

Your Company is committed to follow the best practices of Corporate Governance and the Board is responsible to ensure the same, from time to time.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the SEBI Listing Regulations, from time to time and the Statutory Auditors of the Company, vide their certificate dated May 30, 2018, have confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the SEBI Listing Regulations. The said certificate is annexed as **Annexure-V** to this Report.

Cautionary Statement

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in your Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which your Company conducts business and other factors such as litigation and your Company is not obliged to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise. The "Management's Discussion and Analysis" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's securities.

Acknowledgement

The Board of Directors would like to express their sincere gratitude for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers at all levels. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

On behalf of the Board of Directors
For **Hariyana Ship-Breakers Limited**

Sd/-
Shantisarup Reniwal
Chairman
(DIN: 00040355)

Sd/-
Rakesh Reniwal
Managing Director
(DIN: 00029332)

Date : May 30, 2018
Place: Mumbai

ANNEXURE-I

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

1	A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be taken and a reference to the web link to the CSR Policy and projects or programmes	• To actively contribute to the social and economic development of the communities in which the Company operates. In doing so, build a better, sustainable way of life for the weaker sections of society, to contribute effectively towards inclusive growth and raise the country's human development index. • Projects of the Company focus on education, eradicating hunger and poverty, promoting gender equality, employment, healthcare & sanitation and sustainable livelihood, epitomising a holistic approach to inclusive growth. • The Company's CSR Policy can be accessed on www.hariyanagroup.com.
2	Composition of the CSR Committee	• Mr. Rakesh Reniwal, Chairman • Mr. Pradeep Bhatia, Member • Mr. Tejas Thakker, Member • Mr. Shantisarup Reniwal, Permanent Invitee
3	Average net profit of the Company for the last three Financial Years (In Rs.)	9,36,34,040
4	Prescribed CSR expenditure (2% of the amount as mentioned in point 3 above) (In Rs.)	18,72,681
5	Details of CSR expenditure during the year – Total amount to be spent for the Financial Year – Amount unspent, if any – Manner in which amount spent during the Financial Year 2017-18 ("FY 2017-18")	As per the provisions of Section 135 of the Companies Act, 2013, a company is required to spend, in every Financial Year, atleast 2% of the average net profit of the Company made during the three immediately preceding Financial Years, in pursuance of its CSR Policy. The Company spent in excess of the mandated amount i.e., Rs. 19,00,000/- during the year under review. Thus, there is no amount remaining unspent. CSR expenditure incurred by the Company, during FY 2017-18, is tabled below:
6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount on CSR	

Sr. No.	CSR Projects or Activities identified	Sector in which project is covered	Project or Programmes 1) Local Area or Others 2) Specify the State and District where the projects or programmes are undertaken	Amount Outlay (Budget) Project or Programme wise	Amount Spent on Project or Programmes Subheads: (1) Direct expenditure on projects/ programmes (2) Overheads	Cumulative Expenditure up to Reporting Period	Amount Spent: Direct or through implementation Agency
1	Education support project	Education	Igatpuri, Nashik District (Maharashtra)	9,00,000	9,00,000	9,00,000	Priyadarshani Foundation
2	Preventive Health, Curative Health care, Health Infrastructure	Health Care	Igatpuri, Nashik District (Maharashtra)	10,00,000	10,00,000	10,00,000	Sau Mathurabai Bhausaheb Thorat Sevabhavi Trust

7	Responsibility Statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company	The implementation and monitoring of CSR Policy are in compliance with CSR objectives and Policy of the Company.

Date: May 30, 2018
Place: Mumbai

Rakesh Reniwal
Managing Director and Chairman of the CSR Committee

Annexure-II

FORM No. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended March 31, 2018

[Pursuant to Section 92(3) of the Companies act, 2013 read with the Companies (Management and Administration) Rules, 2014]

A. REGISTRATION AND OTHER DETAILS

CIN	L61100MH1981PLC024774
Registration Date	09.07.1981
Name of the Company	Hariyana Ship-Breakers Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021 Tel: 22043211/12 /14 Fax: 22043215 E-mail: contact@hariyanagroup.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. Unit-1,Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai – 400 072. Tel: 2851 5606/ 2851 5644 Fax: 2851 2885 E-mail: sharexindia@vsnl.com

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
a.	Trading in ferrous and non ferrous metals, HR coils etc.	4662 & 4669	63.27
b.	Dismentling / Breaking of old and used ships	3830	36.73

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
		NIL		

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at thebeginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A PROMOTERS									
(1) INDIAN									
(a) Individual	4529814	0	4529814	73.456	4621814	0	4621814	74.948	1.492
(b) Central Government		0				0			0
(c) State Government		0				0			0
(d) Bodies Corporates		0				0			0
(e) Financial Institutions/ Banks		0				0			0
(f) Any Other		0				0			0
Sub-total (A) (1):-	**4529814**	**0**	**4529814**	**73.456**	**4621814**	**0**	**4621814**	**74.948**	**1.492**
(2) FOREIGN									
(a) Individual NRI / Foreign Individuals		0				0			0
(b) Other Individual		0				0			0
(c) Bodies Corporates		0				0			0
(d) Banks / FII		0				0			0
(e) Qualified Foreign Investor		0				0			0
(f) Any Other Specify		0				0			0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**4529814**	**0**	**4529814**	**73.456**	**4621814**	**0**	**4621814**	**74.948**	**1.492**
(B) (1) PUBLIC SHAREHOLDING									
(a) Mutual Funds		0				0			0.000
(b) Banks / FI		0				0			0.000
(c) Central Government		0				0			0.000
(d) State Government		0				0			0.000
(e) Venture Capital Funds		0				0			0.000
(f) Insurance Companies		0				0			0.000
(g) FIIs		0				0			0.000
(h) Foreign Venture Capital Funds		0				0			0.000
(i) Others (specify)		0				0			0.000
Sub-total (B)(1):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. Non-Institutions									
(a) BODIES CORPORATES									
(i) Indian	421725	2200	423925	6.874	123853	2200	126053	2.044	-4.830
(ii) Overseas		0				0			0.000
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	637643	71300	708943	11.496	786682	71200	857882	13.912	2.416
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	476952	0	476952	7.734	521036	0	521036	8.449	0.715
c) Other (specify)									
Non Resident Indians	17490	0	17490	0.284	6164	0	6164	0.1	-0.184
Overseas Corporate Bodies		0				0			0
Foreign Nationals		0				0			0
Clearing Members	9543	0	9543	0.155	33718	0	33718	0.547	0.392
Trusts		0				0			0
Foreign Boodies - D R		0				0			0
Sub-total (B)(2):-	**1563353**	**73500**	**1636853**	**26.543**	**1471453**	**73400**	**1544853**	**25.052**	**-1.491**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1563353**	**73500**	**1636853**	**26.543**	**1471453**	**73400**	**1544853**	**25.052**	**-1.491**
C. Shares held by Custodian for GDRs & ADRs		**0**				**0**			**0.000**
Grand Total (A+B+C)	**6093167**	**73500**	**6166667**	**100.00**	**6093267**	**73400**	**6166667**	**100.00**	**0.001**

ii) Shareholding of promoters

Sr. No.	Shareholder'sName	Shareholding at the beginning of the year			Shareholding at the end of theYear			
		No. of shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	RAJEEV SHANTISARUP RENIWAL	1539009	24.957	0	1539009	24.957	0	0
2	RAKESH SHANTISARUP RENIWAL	858230	13.917	0	858230	13.917	0	0
3	SHANTISARUP RENIWAL & SONS HUF	625178	10.138	0	625178	10.138	0	0
4	SANJEEV S. RENIWAL	438267	7.107	0	438267	7.107	0	0
5	LALITADEVI S RENIWAL	414800	6.726	0	414800	6.726	0	0
6	UNNATI R. RENIWAL	400000	6.486	0	400000	6.486	0	0
7	SHANTISARUP R. RENIWAL	80080	1.299	0	172080	2.79	0	1.491
8	SHALINI S. RENIWAL	123100	1.996	0	123100	1.996	0	0
9	SWEETY R. RENIWAL	51150	0.829	0	51150	0.829	0	0

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

Sr. No.	Shareholder's name	Shareholding at the begining of the year			Shareholding at the end of the year			
		No. of of shares at begining /end of the year	% of shares of the company	Date	Increase/ decrease of share-holding	Reason	No. of shares	% of total sharesof the company
1	SHANTISARUP R. RENIWAL	80080	1.299	01-04-2017				
				09-03-2018	92000	Buy	172080	2.79
	-Closing Balance			31-03-2018			172080	2.79

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

Sr. No.	Name	No. of Shares at the beginning / end of the year	% of total Shares of the company	Date	Increase/ Decresee in shareholding	Reason	No. of Shares	% of total Shares of the Company
1	JAGDISH CHANDER BANSAL HUF	117378	1.903	01-04-2017				
	-Closing Balance			31-03-2018		No Change	117378	1.903
2	SUBRAMANIAN P	112800	1.829	01-04-2017				
	-Closing Balance			31-03-2018		No Change	112800	1.829
3	DHEERAJ KUMAR LOHIA	300	0.005	25-08-2017				
				01-09-2017	2848	Buy	3148	0.051
				17-11-2017	56694	Buy	59842	0.97
				26-01-2018	12611	Buy	72453	1.175
				09-02-2018	873	Buy	73326	1.189
				16-02-2018	-150	Sold	73176	1.187
				09-03-2018	-18176	Sold	55000	0.892
	-Closing Balance			31-03-2018			55000	0.892
4	MAHENDRA GIRDHARILAL	46631	0.756	01-04-2017				
	-Closing Balance			31-03-2018		No Change	46631	0.756
5	SEETHA KUMARI	43157	0.7	01-04-2017				
	-Closing Balance			31-03-2018		No Change	43157	0.7
6	SANJAY DOSI	36500	0.592	01-04-2017				
	-Closing Balance			31-03-2018		No Change	36500	0.592
7	SMC GLOBAL SECURITIES LIMITED	750	0.012	14-04-2017				
				21-07-2017	25	Buy	775	0.013
				10-11-2017	225	Buy	1000	0.016
				17-11-2017	-250	Sold	750	0.012
				24-11-2017	-100	Sold	650	0.011
				08-12-2017	8245	Buy	8895	0.144
				15-12-2017	250	Buy	9145	0.148
				22-12-2017	-100	Sold	9045	0.147
				12-01-2018	-100	Sold	8945	0.145
				19-01-2018	4500	Buy	13445	0.218
				26-01-2018	-4500	Sold	8945	0.145
				09-02-2018	-5378	Sold	3567	0.058
				16-02-2018	2533	Buy	6100	0.099
				23-02-2018	-1000	Sold	5100	0.083
				09-03-2018	20500	Buy	25600	0.415
				16-03-2018	-50	Sold	25550	0.414
				23-03-2018	100	Buy	25650	0.416
	-Closing Balance			31-03-2018	-100	Sold	25550	0.414
8	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	22316	0.362	02-02-2018				
				09-02-2018	5623	Buy	27939	0.453
				23-02-2018	6685	Buy	34624	0.561
				09-03-2018	-9121	Sold	25503	0.414
	-Closing Balance			31-03-2018			25503	0.414
9	ABBAS NAZIRBHAI VALIKARIMWALA	21685	0.352	01-04-2017				
				23-02-2018	3000	Buy	24685	0.4
	-Closing Balance			31-03-2018			24685	0.4
10	ALIASGAR MANSURBHAI BODELIWALA	50	0.001	07-07-2017				
				03-11-2017	350	Buy	400	0.006
				10-11-2017	900	Buy	1300	0.021
				29-12-2017	1300	Buy	2600	0.042
				12-01-2018	6065	Buy	8665	0.141
				19-01-2018	8500	Buy	17165	0.278
				16-02-2018	1100	Buy	18265	0.296
	-Closing Balance			31-03-2018			18265	0.296
11	PRASHANT VIJAY JOG	36009	0.584	01-04-2017				
				09-03-2018	-12009	Sold	24000	0.389
				23-03-2018	-6000	Sold	18000	0.292
	-Closing Balance			31-03-2018			18000	0.292
12	YRUGALLU SHRI KRISHNA	19337	0.314	01-04-2017				
				17-11-2017	-2295	Sold	17042	0.276
				08-12-2017	-6000	Sold	11042	0.179
	-Closing Balance			31-03-2018	-3235	Sold	7807	0.127
13	WEED INVESTMENT & FINANCE PVT. LTD	294120	4.77	01-04-2017				
				03-11-2017	-13044	Sold	281076	4.558
				10-11-2017	-1100	Sold	279976	4.54
				17-11-2017	-119070	Sold	160906	2.609
				24-11-2017	-7467	Sold	153439	2.488
				01-12-2017	-295	Sold	153144	2.483
				29-12-2017	-4290	Sold	148854	2.414
				05-01-2018	-2930	Sold	145924	2.366
				12-01-2018	-18676	Sold	127248	2.063
				19-01-2018	-30313	Sold	96935	1.572
				26-01-2018	-33795	Sold	63140	1.024
				02-02-2018	-18246	Sold	44894	0.728
				09-02-2018	-4894	Sold	40000	0.649
				23-02-2018	-5450	Sold	34550	0.56
	-Closing Balance			09-03-2018	-34550	Sold	0	0
14	BLACKSTONE PROPERTIES PVT. LTD.	86333	1.4	01-04-2017				
	-Closing Balance			09-03-2018	-86333	Sold	0	0

v) Shareholding of Directors and Key Managerial Personnel:

For each director and KMP		Shareholding at the begining of the year			Cumulative Shareholding during the year			
Sr .no	Name	No. of of shares at begining /end of the year	% of shares of the company	Date	Increase/ decrease of share-holding	Reason	No. of shares	% of total of the company
1	SHANTISARUP R. RENIWAL	80080	1.299	01-04-2017				
				09-03-2018	92000	Buy	172080	2.79
	-Closing Balance			31-03-2018			172080	2.79
2	RAKESH SHANTISARUP RENIWAL	858230	13.917	-	Nil	NA	858230	13.917
3	UNNATI R. RENIWAL	400000	6.486	-	Nil	NA	400000	6.486
4	MANOHAR WAGH	1	0	-	Nil	NA	1	0

E. INDEBTEDNESS

Indebtness of the Company including interest outstanding/accured but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount i) Interest due but not paid iii) Interest accrued but not due	918576310	69762307	0	988338617
Total (i+ii+iii)	918576310	69762307		988338617
Change in Indebtedness during the financial year • Addition • Reduction	3839210792 1653082332	 69762307		3839210792 1722844639
Net Change	2186128460	-69762307		2116366153
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not	3104704770	0	0	3104704770
Total (i+ii+iii)	3104704770	0	0	3104704770

F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

i) Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. no.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Rakesh Reniwal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,15,000.000	3,15,000.000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	0.000	0.000
3	Sweat Equity	0.000	0.000
4	Commission	0.000	0.000
	- as % of profit	0.000	0.000
	- others, specify	0.000	0.000
5	Others, please specify	0.000	0.000
	Total (A)	**3,15,000.000**	**3,15,000.000**
	Ceiling as per the Act		

ii) Remuneration to other directors: Nil

Sr. no.	Particulars of Remuneration	Name of Director	Total Amount
1.	Independent Directors		
	•Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
	2. Other Non-Executive Directors		
	•Fee for attending board / committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

iii) Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		4,40,000	4,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify…			
5	Others, please specify			
	Total		**4,40,000**	**4,40,000**

G. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ / NCLT/ COURT]
A. COMPANY				
Penalty Punishment Compounding	NONE			
B. DIRECTORS				
Penalty Punishment Compounding	NONE			
C. OTHER OFFICERS IN DEFAULT				
Penalty Punishment Compounding	NONE			

Annexure-III

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and enhancing investor confidence. Our goal is to promote and protect the long-term interest of all stakeholders, and to that end, our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

The governance philosophy of your Company rests on five basic tenets viz. Board's accountability to the Company and the Stakeholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment to all Stakeholders, as well as superior transparency and timely disclosure.

In line with the above philosophy, your Company continuously endeavours for excellence and focuses on enhancement of long-term Stakeholders' value through adoption of and adherence with the best governance practices, in true spirit at all times.

Following principles supplement the core of the Company's philosophy on Corporate Governance:

- **TRANSPARENCY** in all decision making processes;
- High levels of **DISCLOSURES**;
- High standards of **ETHICS**;
- Regular **REVIEW** of processes and management systems for improvement; and
- **APPROPRIATE CONTROL SYSTEM** to enable the Board to efficiently conduct the business and discharge its responsibilities to its Stakeholders.

During the year under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

Moreover, the Company undertakes to take an audit of its secretarial records and documents to ensure timely compliance with applicable laws to the Company.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 read with the Rules made thereunder ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable laws.

Also, your Company shall ensure that its governance framework incorporates the amendments introduced by the Securities and Exchange Board of India ("SEBI") in the SEBI Listing Regulations, pursuant to the recommendations made by the Kotak Committee on Corporate Governance and the same are complied with, on or before their effective date.

Your Company presents this report, prepared in terms of the SEBI Listing Regulations (including the amendments to the extent applicable), enumerating the current Corporate Governance systems and processes at the Company.

BOARD OF DIRECTORS

The Board of Directors of your Company ("Board") is at the core of the Corporate Governance system of the Company. The Board is responsible for and committed to sound principles of Corporate Governance in the Company and plays a crucial role in overseeing how the Management serves the short-term & long-term interests of Members and other Stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

Committees of the Board handling specific responsibilities mentioned under the applicable laws viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee, empower the functioning of the Board through flow of information amongst each other and by delivering a focused approach and expedient resolution of diverse matters.

Also, while discharging its fiduciary duties and in ensuring effective functioning of your Company, the Board is duly supported by the Managing Director, Key Managerial Personnel ("KMP") and the Senior Management. It operates within the framework of well-defined responsibility matrix, which enables it to oversee how the Management of the Company serves and protects the long-term interests of all the Members and other Stakeholders of the Company.

A. Composition of Board of Directors

An independent and well-informed Board goes a long way in protecting the Stakeholders' interest and simultaneously maximise long-term corporate values.

In compliance with the requirements under the relevant provisions of the Act & SEBI Listing Regulations and with a strong belief that the Board needs to have an appropriate blend of Directors to maintain its diversity and independence, the Board of your Company has an optimum combination of such number of Executive, Non-Executive and Independent Directors, including a Woman Director.

The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements and it separates the roles of governance and management.

The composition of the Board is in conformity with Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations.

As on March 31, 2018, your Company's Board comprises 6 Directors, categorised as below:

Category	Name of the Director	DIN
Executive Director (including one Woman Director)	Mr. Rakesh Reniwal	00029332
	Mr. Shantisarup Reniwal	00040355
	Mrs. Unnati Reniwal	00041306
Independent Non-Executive Director	Mr. Manohar Wagh	02622648
	Mr. Pradeep Bhatia	02903984
	Mr. Tejas Thakker	03017277

Mr. Shantisarup Reniwal retires by rotation in the ensuing 37th Annual General Meeting of the Company. Details of Directors retiring or being appointed/ re-appointed form part of the Notice of the said AGM.

The important and key decisions are taken after due discussion and deliberation with the Board and it is ensured that the relevant information prescribed to be provided under the SEBI Listing Regulations alongwith such other information, as may be deemed necessary for effective decision making, is presented to the Board.

In terms of the provisions of Section 184 of the Act and Regulation 26 of the SEBI Listing Regulations, the Directors present necessary disclosures regarding the positions held by them on the Board and/or Committees of other public and/or private companies, from time to time. On basis of such disclosures, it is confirmed that as on the date of this Report, none of the Directors of your Company:-

a) hold directorships in more than 10 public limited companies (listed or unlisted);

b) is a member of more than 10 Committees (considering only Audit Committee and Stakeholders Relationship Committee) or Chairperson of more than 5 Committees across all the public companies (listed or unlisted) in which he/ she is a Director; and

The details of each Director alongwith the number of Directorships/ Committee Memberships/ Chairmanships and their shareholding in the Company as on March 31, 2018, alongwith the date of joining the Board, are provided hereinbelow:

Name of the Director	Date of joining	Shareholding in the Company	Directorships in other Companies(1)	No. of other Companies Board Committees (2) in which Chairperson / Member	
				Chairperson	Member
Mr. Rakesh Reniwal	01/02/1993	8,58,230	Nil	Nil	Nil
Mr. Shantisarup Reniwal	09/07/1981	1,72,080	`Nil	Nil	Nil
Mrs. Unnati Reniwal	02/06/2014	4,00,000	Nil	Nil	Nil
Mr. Manohar Wagh	28/04/2009	01	Nil	Nil	Nil
Mr. Pradeep Bhatia	25/12/2009	0	Nil	Nil	Nil
Mr. Tejas Thakker	12/04/2010	0	Nil	Nil	Nil

Notes:

(1) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, total number of Directorships exclude directorships in the Company, Foreign Companies, Private Limited Companies, Companies formed under Section 25 of the erstwhile Companies Act, 1956 and under Section 8 of the Act.

(2) In terms of the provisions of Regulation 26 of the SEBI Listing Regulations, Chairmanship/ Membership of Committee only includes the Audit Committee and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

B. Details of Meetings of the Board of Directors and Annual General Meeting held during the period under review, alongwith attendance of Directors at each meeting

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company. The meetings of the Board are pre-scheduled and a tentative annual calendar of the meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions and the same are noted at the subsequent meeting of the Board and/or Committees.

The notice and detailed agenda alongwith the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board also reviews the performance of the Company vis-à-vis the budgets/ targets.

Video-conferencing facilities are made available to facilitate Directors travelling abroad or present at other locations, in case they wish to participate in the meetings. The same is conducted in compliance with the applicable laws.

The Board meets atleast 4 times in a year (one meeting in every calendar quarter) and the maximum gap between any two consecutive meetings is less than 120 days, as stipulated under Section 173(1) of the Act, Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

Additional meetings are held as and when necessary.

The Board of your Company met 16 times during the year under review i.e. on April 1, 2017, April 3, 2017, May 30, 2017, June 13, 2017, July 20, 2017, August 1, 2017, September 12, 2017, September 27, 2017, October 10, 2017, November 13, 2017, December 14, 2017, January 2, 2018, February 1, 2018, February 12, 2018, March 27, 2018 and March 29, 2018 (each meeting being consecutively numbered from 1 to 16). The details of attendance of Directors at each such meeting of the Board and at the 36th Annual General Meeting of the Company held on September 30, 2017, are provided hereinbelow:

Meetings of the Board for the Financial Year 2017-18	Name of the Director					
	Mr. Rakesh Reniwal	Mr. Shantisarup Reniwal	Mrs. Unnati Reniwal	Mr. Manohar Wagh	Mr. Pradeep Bhatia	Mr. Tejas Thakker
	Held during the tenure					
	16	16	16	16	16	16
1	P	P	P	P	P	P
2	P	P	A	P	A	A
3	P	P	P	P	P	P
4	P	P	A	P	A	A
5	P	P	A	P	A	A
6	P	P	P	A	A	A
7	P	P	P	P	P	P
8	P	P	P	P	A	A
9	P	P	P	P	P	P
10	P	P	P	A	A	A
11	P	P	P	P	P	P
12	P	P	A	P	A	A
13	P	P	P	A	A	A
14	P	P	A	P	P	P
15	P	P	A	P	P	P
16	P	P	A	P	P	P
36th Annual General Meeting	P	P	P	A	A	A

*P: Present

A: Leave of Absence

C. Independent Directors

All Independent Directors on the Board are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In compliance with the SEBI Listing Regulations, the Directors of the Company do not serve as an Independent Director in more than seven listed companies.

The Independent Directors on the Board of your Company are experienced, competent and highly respected individuals in their respective fields, which brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

Further, as provided in the Act, a formal letter of appointment has been issued to the Independent Directors and the same is also disclosed on website of the Company i.e. www.hariyanagroup.com.

Separate meeting of Independent Directors

The Independent Directors met once during the year, on March 31, 2018, without the presence of Executive Directors or Management representatives, inter alia, to discuss the performance of Non-Independent Directors & the Board as a whole and to assess the quality, quantity & timeliness of flow of information between the Management of the Company and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for the meeting.

D. Appointment and Tenure

The Directors of the Company are appointed/ re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members at the Annual General Meeting ("AGM"). In accordance with the Articles of Association of the Company, all Directors, except the Managing Director and Independent Directors of the Company, are liable to retire by rotation at the AGM each year and, if eligible, offer themselves for re-election. The Executive Directors on the Board have been appointed in terms of the provisions of the Act and serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of the Independent Directors, the Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and the SEBI Listing Regulations.

E. Board Induction, Training and Familiarisation

In terms of the provisions of Regulation 25 of the SEBI Listing Regulations, your Company has framed a Familiarisation Programme for Independent Directors of the Company, structured into two parts i.e. 'Induction' and 'Ongoing Interaction'. This Programme aims to provide insights into the business of the Company, to enable the Independent Directors to understand their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, its business in depth and contribute significantly to the Company.

At the time of appointing an Independent Director, a formal letter of appointment is given to him/ her, which inter alia explains the role, function, duties and responsibilities expected from him/ her as an Independent Director of the Company. The Directors are also provided with necessary documents, reports and internal policies of the Company, to enable them to familiarise with the Company's procedures and practices. The compliances applicable to them, in terms of the provisions of the Act, SEBI Listing Regulations and other applicable laws, are explained to them and an affirmation is obtained from them, in that regard.

Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses & operations, strategy, risk management framework, industry & regulatory updates and other relevant matters.

These presentations enable one-on-one interaction between the Independent Directors and the Senior Management of the Company/ Statutory Auditor/ Internal Auditor of the Company. Additionally, visits to the divisions and plant locations of the Company etc. are also arranged to apprise them of the actual operations of the Company.

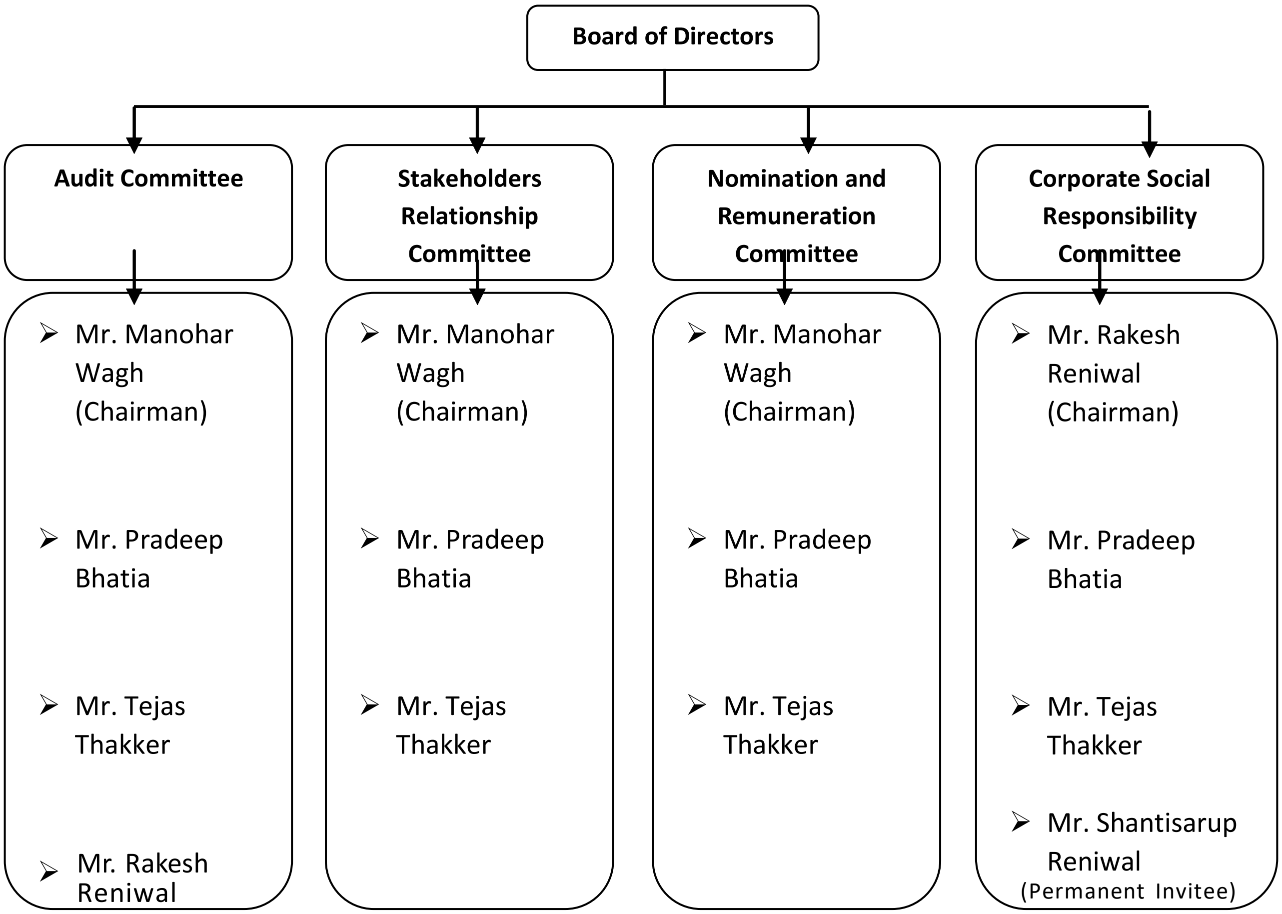
The details of the Familiarisation Programmes for Independent Directors are also available on the website of the Company i.e. www.hariyanagroup.com.

COMMITTEES OF THE BOARD

The Committees of the Board ("Committees") play a crucial role in the governance structure of the Company. They have been constituted under the formal approval of the Board to carry out clearly defined roles. Members of the Committees possess expertise in relevant areas and functions, which enables better handling and expedient resolution of diverse matters. Terms of reference of all the committees are laid down in line with the requirements of the Act and the SEBI Listing Regulations, to deal with specific areas/ activities which concern the Company and need a closer review and to carry out clearly defined roles.

The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. There is seamless flow of information between the Board and its Committees, as the Committees report their recommendations and opinions to the Board, which in turn supervises the execution of respective responsibilities by the Committees. The minutes of the meetings of all the Committees are placed before the Board for its review.

Composition of Committees as on March 31, 2018



Ms. Swati Chauhan, Company Secretary of your Company, acts as the Secretary of all the Committees.

A. Audit Committee

Your Company has a qualified and independent Audit Committee, which acts as a link between the management, the statutory and internal auditors and the Board. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. All the members of the Audit Committee are financially literate. The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process.

(i) Composition:

The Committee comprises 4 Directors as its Members, out of which 3 are Non-Executive Independent Directors and one is Executive Director.

Mr. Manohar Wagh, Independent Director, is the Chairman of the Audit Committee.

(ii) Brief Description of Terms of Reference:

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

In terms of the applicable provisions of the Act and in terms of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the Audit Committee inter alia cover the following matters:

a. **Financial Matters:**

- Overseeing the Company's financial reporting process and the disclosure of financial information to ensure that the Financial Statements are correct, sufficient and credible;
- Reviewing with the Management, the Quarterly Unaudited Financial Statements and Annual Audited Financial Statements alongwith Limited Review Report/ Auditor's Report thereon before submission to the Board for the approval. Reviewing of Annual Financial Statements inter alia including reviewing changes in Accounting Policies, if any, major accounting entries involving estimates, significant adjustments made in Financial Statements, qualifications in draft Audit Report, if any etc.;
- Reviewing Management Discussion and Analysis of financial condition and results of operations; and
- Scrutinising the inter-corporate loans and investments.

b. **Internal Controls, Audit and Auditors:**

- Recommending the terms of appointment/ re-appointment, remuneration and any other terms and conditions pertaining to the appointment/ re-appointment, if required, replacement or removal of auditors, fixation of statutory audit fees and approval of payment for any other services rendered by the Statutory Auditors, as permitted under applicable laws;
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
- Reviewing the adequacy of internal audit function and internal control systems including internal financial controls;
- Evaluating the Internal Financial Controls, Risk Management Systems of the Company;
- Discussing with the Internal Auditors of any significant findings and follow-up thereon; and
- Reviewing significant audit findings, if any, from the statutory and internal audits.

c. **Other Matters:**

- Approving all Related Party Transactions;
- Approving appointment of Chief Financial Officer of the Company; and
- Reviewing the functioning of Vigil/ Whistle Blower Mechanism.

(iii) Meetings and Attendance during the year:

The Committee met 6 times during the year under review i.e. on May 30, 2017, September 12, 2017, October 10, 2017, December 14, 2017, February 12, 2018 and March 29, 2018 (each meeting being consecutively numbered from 1 to 6), to deliberate on various matters.

The details of attendance of the Members of the Committee at each meeting, are provided hereinbelow:

Name of the Member	Meetings of Committee for the Financial Year 2017-18						
	Held during the tenure	1	2	3	4	5	6
Mr. Manohar Wagh	6	P	P	P	P	P	P
Mr. Pradeep Bhatia	6	P	P	P	P	P	P
Mr. Tejas Thakker	6	P	P	P	P	P	P
Mr. Rakesh Reniwal	6	P	P	P	P	P	P

*P: Present

A: Leave of Absence

Chief Financial Officer, representatives of the Statutory Auditors and Internal Auditors of your Company are also invited to the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Committee meeting from time to time, for providing such information as may be necessary.

B. Nomination and Remuneration Committee

The Board of your Company has constituted a Nomination and Remuneration Committee ("NARC") in terms of the provisions of Section 178 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

The Committee is inter alia entrusted with the responsibility of formulating criteria for determining the qualifications, positive attributes and independence of the present and proposed Directors as well as recommending a policy to the Board relating to the remuneration of Directors, KMP and other employees. It also specifies the methodology for effective evaluation of performance of the Board, its Committees and individual Directors.

(i) Composition:

The Committee comprises 3 Non-Executive Directors as its Members, all 3 are Independent Directors.

Mr. Manohar Wagh, Independent Director, is the Chairman of the NARC.

(ii) Brief Description of Terms of Reference:

The broad terms of reference of the NARC, as approved by the Board in terms of the Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, inter alia, include the following:

a. Identifying persons who are qualified to become Directors and who may be appointed at Senior Management positions in accordance with the criteria laid down and recommending to the Board their appointment and removal;

b. Recommending the remuneration/ revision in remuneration of Managing Director and Executive Directors to the Board for approval and review;

c. Formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy relating to the remuneration for the Directors, KMP and other employees;

d. Formulating criteria for evaluation of Board, its Committees and each Director and reviewing its implementation and compliance;

e. Devising a policy on Board diversity; and

f. Recommending to the Board the extension or continuation of term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

(iii) Meetings and Attendance during the year:

NARC met 3 times during the year under review i.e. on April 1, 2017, February 12, 2018 and March 27, 2018 (each meeting being consecutively numbered from 1 to 3), to deliberate on various matters.

The details of attendance of Members of the Committee at each meeting are provided hereinbelow:

Name of the Member	Meetings of Committee for the Financial Year 2017-18			
	Held during the tenure	1	2	3
Mr. Manohar Wagh	3	P	P	P
Mr. Pradeep Bhatia	3	P	P	P
Mr. Tejas Thakker	3	P	P	P

(iv) Performance Evaluation Criteria for Independent Directors:

The performance of the Independent Directors of the Company is evaluated on the following criterias,more particularly as to how an Independent Director:

- Invests time in understanding the Company and its unique requirements;
- Brings in external knowledge and perspective to the table for discussions at the meetings;
- Expresses his/ her views on the issues discussed at the Board; and
- Keeps himself/ herself current on areas and issues that are likely to be discussed at the Board level.

(v) Nomination Policy and Remuneration Philosophy/ Policy:

In terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Board of your Company had, on recommendation of the NARC, adopted a Nomination Policy, which inter alia enumerates the Company's policy on appointment of Directors and KMP. Further, the Board has, on recommendation of NARC, also adopted a policy entailing Remuneration Philosophy, which covers remuneration philosophy covering the Directors, KMP and employees included in Senior Management of the Company.

Both the aforesaid policies are available on the website of the Company i.e. www.hariyanagroup.com.

The Company's remuneration policy is intended to attract and retain the individuals in order to achieve the Company's objective. Further, the Company has a system where all the Directors and employees included in the Senior Management of the Company are required to disclose all pecuniary relationships or transactions with the Company. No severance fees are paid to the Directors of the Company.

a. Remuneration to Non-Executive Directors:

The Non-Executive Directors/ Independent Directors were not paid any remuneration during the year under review.

The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

b. Remuneration to Executive Directors:

In terms of the provisions of the Act and in line with the Nomination Policy and Remuneration Philosophy/ Policy of the Company, the appointment and remuneration of Executive Directors is approved by the Board and the Members of the Company, on recommendation of the NARC. The appointment of Executive Directors is subject to termination by either party by giving one months' notice of such termination in writing by either side or salary in lieu thereof or by mutual consent. The remuneration paid to the Managing Director comprises salary, allowances, perquisites, stock options, performance linked income/ bonus and other Retirement Benefit Funds, as approved by the Members at the Annual General Meeting.

Annual increments are linked to performance and are decided by the NARC and recommended to the Board for approval thereof. The Performance Review System is primarily based on competencies and values. The Company closely monitors growth and development of top talent in the Company to align personal aspirations with the organisational goals and objectives.

The details of remuneration paid to the Executive Director(s), during the year under review, are mentioned hereinbelow:

Name of Director	Remuneration Paid (Amount in Lakhs)
Rakesh Reniwal	3.15[(1)]

Note:

(1) During the year under review, Mr. Rakesh Reniwal, was appointed as the Managing Director of the Company, for a period of 3 years, with effect from April 1, 2017 while remuneration w.e.f. October 01, 2017 was paid to him as approved by the Board of Directors in their meeting held on October 10, 2017 based on recommendation of NARC,

subject to the approval of the Members of the Company at the ensuing Annual General Meeting. Accordingly, details mentioned in the above table comprise details of the remuneration paid to him in capacity of Managing Director from October 01, 2017 upto March 31, 2018.

c. Stock Options:

The Company does not grant any Employee Stock Option Scheme.

C. Stakeholders Relationship Committee

The Board of your Company has constituted a Stakeholders' Relationship Committee ("SRC") in terms of the provisions of Section 178 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

The Committee is inter alia entrusted with the responsibility of considering and resolving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, if any.

(i) Composition:

The Committee comprises 3 Non-Executive Directors as its Members, all 3 are Independent Directors.

Mr. Manohar Wagh, Independent Director, is the Chairman of the SRC.

(ii) Brief Description of Terms of Reference:

In terms of the applicable provisions of the Act and Regulation 20(4) read with Part D of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the SRC inter alia cover the following matters:

- Reviewing of complaints relating to transfer of shares, transmission of shares, issue of duplicate share certificates, non-receipt of Annual Report, non-receipt of declared dividends and any other shareholder related queries/ complaints;
- Reviewing of status of requests i.e., processing of complaints within statutory timelines;
- Approving transfer and transmission of shares, issue of duplicate share certificates, etc.; and
- Overseeing the performance of Registrar and Transfer Agent.

(iii) Meetings and Attendance during the year:

SRC met 4 times during the year under review i.e. on May 30, 2017, September 12, 2017, December 14, 2017 and February 12, 2018, to deliberate on various matters with respect to Stakeholders of the Company.

The details of attendance of Members of the Committee at each meeting are provided hereinbelow:

Name of the Member	**Meetings of Committee for the Financial Year 2017-18**				
	Held during the tenure	**1**	**2**	**3**	**4**
Mr. Manohar Wagh	4	P	P	P	P
Mr. Pradeep Bhatia	4	P	P	P	P
Mr. Tejas Thakker	4	P	P	P	P

(iv) Shareholders' complaints:

During the year under review, your Company did not receive any complaints from the Shareholders.

D. Corporate Social Responsibility Committee

The Board of your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") in terms of the provisions of Section 135 of the Act. Its composition, quorum, powers, role and scope are in accordance with the provisions of Section 135 of the Act.

The Committee is inter alia entrusted with the responsibility of monitoring and implementation of the CSR projects/ programmes/ activities of your Company and also for approving the annual CSR Budget, implementation of CSR projects and other related activities.

(i) Composition:

The Committee comprises 3 Directors as its Members, out of which 2 are Non-Executive Independent Directors.

Mr. Rakesh Reniwal, Managing Director, is the Chairman of the CSR Committee.

Mr. Shantisarup Reniwal, Executive Director, is the permanent invitee to the meetings of CSR Committee.

(ii) Brief Description of Terms of Reference:

The scope and functions of the CSR Committee are in accordance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and terms of reference of CSR Committee, inter alia, includes following:

- Reviewing and finalising the annual CSR Budget of the Company (including any specific project driven budgets) for undertaking the CSR activities for and on behalf of the Company and thereafter to recommend the said CSR Budget to the Board for its approval and to implement the same post approval of the Board;
- Authorising any officer and/or other person for and on behalf of the Company to form collaborative partnerships with the Government, the District or local authorities or agencies, village panchayats, NGOs and other like-minded Stakeholders, so as to enable the Company to widen its CSR reach and also to leverage upon their collective expertise, wisdom and experience which such partnerships shall bring to the table and taking all further actions and steps and doing all acts, deeds and things, which may be required to be done and performed from time to time in above connections; and
- Performing such other acts, deeds, things and powers as may be delegated to the Committee by the Board from time to time.

(iii) Meetings and Attendance:

CSR Committee met on December 14, 2017 and March 29, 2018, to review expenditure on corporate social responsibility (CSR) activities for the Financial Year 2017-18; to approve the Annual Report on the CSR activities of the Company for the year under review and to review and approve the plan and budget for the CSR activities of the Company for the Financial Year 2018-19. All the Members of the Committee were physically present at the meeting.

GENERAL BODY MEETINGS

A. Annual General Meetings

Details of the last 3 AGMs of the Members of the Company alongwith the details of Special Resolutions passed at each such AGM, are tabled hereinbelow:

Financial year	AGM	Date	Location	Time	Particulars of Special Resolution(s) passed
2014-15	34th	September 30, 2015	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	9.00 a.m.	a. To ratify appointment of Mr. Shantisarup Reniwal (DIN: 00040355) as Managing Director of the Company. b. To borrow monies in excess of paid up Share Capital and Reserves, to the extent of Rs. 1250 Crores c. Amendment of Articles of Association of the Company by adopting the Table F of Schedule I of the Companies Act, 2013
2015-16	35th	September 30, 2016	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021	9.00 a.m.	None
2016-17	36th	September 30, 2017	156, Maker Chambers VI, 220, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021	9.30 a.m.	Appointment of Mr. Rakesh Reniwal (DIN: 00029332) as Managing Director of the Company

B. Postal Ballot

During the year under review, no resolution was passed through postal ballot.

MEANS OF COMMUNICATION

The quarterly/ half yearly/ annual results ("said results") alongwith the Limited Review/ Auditor's Report thereon are filed with the BSE Limited (referred to as "Stock Exchange") at its electronic platform i.e. BSE Corporate Compliance & Listing Centre, so as to enable it to display the same on its website. The said results are simultaneously uploaded on the website of the Company i.e. www.hariyanagroup.com, for the ease of reference of the Members of the Company. The aforesaid results are also published in "Free Press Journal" and "Navshakti" (a regional daily newspaper published from Mumbai) within the stipulated timelines.

A separate dedicated "Investors section", on the website of the Company, gives information on the aforesaid results, shareholding pattern and other relevant information of interest to the investors/ public.

In addition to the above, the Company has designated E-mail ID viz. contact@hariyanagroup.com, for Investor Relations and Shareholders assistance and the same is prominently displayed on the website of the Company.

GENERAL SHAREHOLDER INFORMATION

The Company has provided the details required under this as a separate section on "General Shareholder Information", which forms a part of this Annual Report.

OTHER DISCLOSURES

a. Details of materially significant related party transactions that may have potential conflict with the interests of the Company at large

All the Related Party Transactions ("RPTs") entered into by your Company, during the Financial Year 2017-18, were at arm's length and in the ordinary course of business of the Company. All such transactions had prior approval of the Audit Committee and the Board.

However, there were no material significant RPTs that had/ may have potential conflict with the interests of your Company at large.

b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

Your Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and Stock Exchange. Consequently, there has been no instance of noncompliance with any legal requirements and hence, no penalties or strictures are imposed on your Company by SEBI or the Stock Exchange or any statutory authority on any matter related to the capital markets during the last 3 years.

c. Vigil Mechanism/ Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

Your Company has in place a Vigil Mechanism/ Whistle Blower Policy which facilitates for direct access to the Management and the Audit Committee of the Board to all Stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism provides adequate safeguards against any victimisation of the persons who use this mechanism. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

Also, the Company has adopted "Policy for Prevention of Sexual Harassment at Workplace". This ensures a work environment that is professional and mature, free from animosity and one that reinforces Company's value of integrity, which includes respect for the individual.

d. Other Policies, Programmes and Codes of the Company

(i) Corporate Social Responsibility Policy

In terms of the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted Corporate Social Responsibility policy having the following scope:

i. Planning project or programmes which a Company plans to undertake falling within the purview of Schedule VII of the Act; and

ii. Monitoring process of such project or programmes.

(ii) Policy on Related Party Transactions:

In terms of the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has framed a Policy on RPTs to regulate transactions of the Company with its related parties (as defined and identified under the Act, SEBI Listing Regulations), to ensure high standards of Corporate Governance while dealing with related parties and also to ensure optimum compliance with applicable laws prescribed for RPTs. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(iii) Code of Conduct for Trading in Listed or Proposed to be Listed Securities of Hariyana Ship-Breakers Limited:

This document explains the Code to be observed by all the Connected Persons of your Company as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time. This Code is effective from June 3, 2015 subsequent to which the previous Code of Conduct was substituted by this revised Code of Conduct.

The objective of this Code is to communicate to all the Connected Persons, the Code related to trading in listed or proposed to be listed securities of the Company. It is intended to serve as a guideline to all persons connected with the Company, which they should imbibe and practice, both in letter and spirit, while trading in listed or proposed to be listed securities of the Company.

(iv) Code of Conduct for Board Members and Senior Management of Hariyana Ship-Breakers Limited:

This Code of Conduct has been framed and adopted by your Company in compliance with the provisions of Regulation 17 of the SEBI Listing Regulations.

The Code incorporates the duties of Independent Directors as laid down in the Act and also helps the Board Members and Senior Managers to observe the highest standards of ethical conduct along with integrity and to work to the best of their ability and judgement.

(v) Policy on Preservation of Documents:

In terms of the provisions of Regulation 9 of the SEBI Listing Regulations, your Company has adopted this policy for preservation of documents w.e.f. April 25, 2016.

This policy contains guidelines for identifying Documents (as defined under the SEBI Listing Regulations) that need to be maintained, specifies the period of preservation of such Documents and its destruction/disposal. This policy aims to provide efficient and systematic control on the maintenance, periodicity and destruction of business related Documents.

(vi) Policy for Determining of Material Subsidiary Companies:

Your Company does not have any Subsidiary as on the date of this report and accordingly, it does not have any policy for determining the “Material Subsidiary”.

(vii) Policy for Determination of Materiality of Information or Event:

In terms of the provisions of Regulation 30 of the SEBI Listing Regulations, your Company has adopted this policy for determination of materiality of information or event for facilitating prompt disclosure of material price sensitive information to the Stock Exchange(s) in compliance with the provisions of the SEBI Listing Regulations w.e.f. April 25, 2016. This policy acts as a guidance for determining materiality of such price sensitive information and with the objective to ensure prompt disclosure of material price sensitive information/ event to the Stock Exchange, where the securities of the Company are listed, so that present and potential investors are able to take informed decision relating to their investment in your Company and to avoid creation of false market in the securities of the Company. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(viii) Policy for Archival of Documents:

In terms of the provisions of Regulation 30 of the SEBI Listing Regulations, your Company has adopted this Policy for the archival of documents of the Company, to comply with the provisions of the SEBI Listing Regulations w.e.f. April 25, 2016. The policy provides that beyond the Mandatory Hosting Period (i.e. 5 years from the date of each disclosure on the website of your Company), the disclosed information shall be archived for such other additional period as may be required considering the requirement of various statutes, law, regulations etc. and other legal and administrative aspects. The policy is also available on the website of the Company i.e. www.hariyanagroup.com.

(ix) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:

This Code of Conduct has been framed and adopted by the Company in compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 "SEBI PIT Regulations", to adhere to each of the Principles of Fair Disclosure for the purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as set out in Schedule A to the SEBI PIT Regulations.

e. Commodity Price Risk and Commodity Hedging Activities

Your Company does not engage in Commodity hedging activities.

f. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

In addition to the same, your Company also strives to adhere and comply with the following discretionary requirement specified under Regulation 27(1) and Part E of the Schedule II of the SEBI Listing Regulations, to the extent applicable:

(i) Reporting of Internal Auditor: The Internal Auditor of your Company directly reports to the Audit Committee on functional matters.

g. Disclosure of Accounting Treatment

The Company has followed all applicable and relevant Accounting Standards while preparing the Financial Statements.

h. Proceeds from Public Issues, Right Issues, Preferential Issues, etc.

During the year, your Company has not raised any proceeds from public issue, rights issue, preferential issues, etc. and hence, there are no unutilised issue proceeds during the year under review.

i. Management

The Management Discussion and Analysis is prepared in accordance with the requirements laid out in Regulation 34 read with Section B of Schedule V of the SEBI Listing Regulations and forms part of the Report of the Board of Directors.

No material transaction has been entered into by your Company with the Promoters, Directors or the Management or relatives, etc. that may have a potential conflict with interests of the Company.

j. Shareholders

According to the Articles of Association, one-third of the Directors retire by rotation and if eligible, seek re-appointment at the AGM. Accordingly, Mr. Shantisarup Reniwal will retire in the ensuing 37th AGM of the Company and is eligible for re-appointment. Accordingly the Board has recommended his re-appointment in the said AGM. The detailed profile of Mr. Shantisarup Reniwal is provided in the notice convening the said AGM.

SUBSIDIARY COMPANIES

As on March 31, 2018, your Company did not have any subsidiary.

CEO/ CFO CERTIFICATION

As required under the provisions of Regulation 33 of the SEBI Listing Regulations, Mr. Rakesh Reniwal, Managing Director and Mr. Shantisarup Reniwal, Executive Director have reviewed the Audited Financial Results and Cash Flow Statements for the Financial Year ended March 31, 2018 and accordingly have provided a certificate, which is enclosed separately at the end of this Report.

REPORT ON CORPORATE GOVERNANCE

As required under Regulation 27 of the SEBI Listing Regulations, your Company has been duly submitting the quarterly compliance report in the prescribed format and within the required timelines to the Bombay Stock Exchange and the same is available on its website. The said report is also available on the website of the Company i.e. www.hariyanagroup.com.

The Compliance Certificate received from the Statutory Auditors i.e. M/s. P.D. Goplani & Associates, Chartered Accountants regarding compliance of Corporate Governance requirements is annexed as **Annexure-V** to the Report of the Board of Directors.

Further, your Company has complied with the Corporate Government requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and the same has been disclosed in this Report.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors
Hariyana Ship-Breakers Limited
Mumbai

We have reviewed Audited Financial Statements and the cash flow statement of Hariyana Ship- Breakers Limited ('Company') for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that;

1. (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) 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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on March 31, 2018 which are fraudulent, illegal or violate the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or propose to be taken for rectifying these deficiencies.

4. We have indicated to the auditors and the Audit committee

   i. significant changes, if any, in internal control over financial reporting during the Financial Year ended on March 31, 2018;

   ii. significant changes, if any, in accounting policies made during the Financial Year ended on March 31, 2018 and that the same have been disclosed in the notes to the financial statements; and

   iii. 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 financial reporting.

Rakesh Shantisarup Reniwal
Managing Director

Shantisarup Reniwal
Executive Director

Place: Mumbai
Date: May 30, 2018

DECLARATION

As provided under the provisions of Schedule II and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed the Compliance with the Code of Conduct for the year ended March 31, 2018.

Rakesh Shantisarup Reniwal
Managing Director

Place: Mumbai
Date : May 30, 2018

GENERAL SHAREHOLDER INFORMATION

In terms of the provisions of Point No. 9 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), General Information of your Company for reference of the Shareholders is provided as under:

(i) Thirty Seventh Annual General Meeting:

Thirty Seventh Annual General Meeting (Day, Date, Time and Venue)	Saturday, September 29, 2018 at 9.30 a.m. 156, Maker Chambers VI, 220 Jamnalal Bajaj Marg, Nariman Point, Mumbai- 400021
Book Closure Date	Sunday, September 23, 2018 to Saturday, September 29, 2018 (both days inclusive)
Cut-off date for e-voting	Saturday, September 22, 2018

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment/ re-appointment at Annual General Meeting ("AGM") are given in the Annexure to the Notice of this AGM.

(ii) Financial Year:

Your Company follows April-March as the Financial Year.

Calendar of the Financial Year ended on March 31, 2018:

The meetings of Board of Directors for approval of quarterly/ half-yearly/ annual financial results for the Financial Year ended on March 31, 2018, were held on the following dates:

Sr. No.	Particulars of the Quarter	Date of Meetings
1.	Results for the quarter ended June 30, 2017	September 12, 2017
2.	Results for the quarter and six months ended September 30, 2017	December 14, 2017
3.	Results for the quarter and nine months ended December 31, 2017	February 12, 2017
4.	Results for the quarter and year ended March 31, 2018	May 30, 2018

Tentative calendar for the Financial Year ending March 31, 2019:

The tentative months for the quarterly meetings of the Board of Directors for consideration of quarterly/ half-yearly/ annual financial results for the Financial Year ending March 31, 2019, are as under:

Sr. No.	Particulars of the Quarter	Tentative Months
1.	Results for the quarter ended June 30, 2018	July/ August, 2018
2.	Results for the quarter and six months ended September 30, 2018	October/ November, 2018
3.	Results for the quarter and nine months ended December 31, 2018	January/ February, 2019
4.	Results for the quarter and year ended March 31, 2019	April/ May, 2019

Further, the tentative months for the Thirty Eighth AGM of the Company for the Financial Year ending March 31, 2019 shall be August/ September, 2019.

(iii) Dividend Payment Date:

Not Applicable

(iv) Stock Exchanges where Securities of the Company are listed:

Your Company's Shares are listed on the following Stock Exchange:

Listing on Stock Exchange	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
Stock Code & ISIN	BSE:526931 & ISIN : INE400G01011

(v) Payment of Annual Listing/ Custody/ Issuer Fees:

Annual Listing Fees for the Financial Year 2018-19 have been paid to the Stock Exchange.

Annual Custody/ Issuer Fees have been paid to National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for the Financial Year 2018-19.

Further, in terms of circular no. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018, issued by Securities and Exchange Board of India ("SEBI"), your Company has appointed NSDL as the "Designated Depository" for the purpose of monitoring of Foreign Investment limits on behalf of the Company.

(vi) Stock Market Price Data:

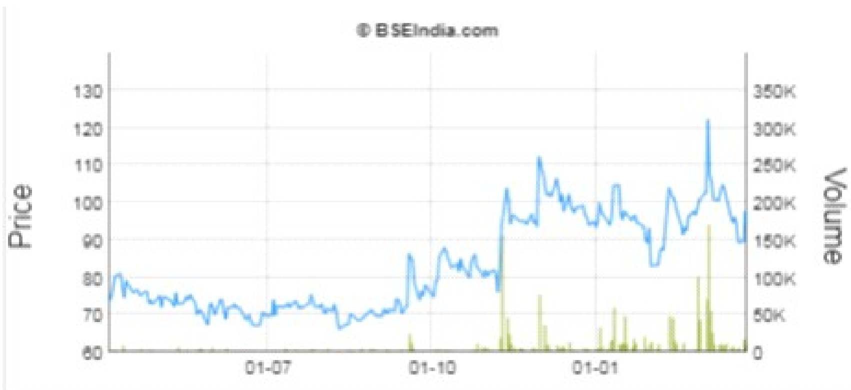
The stock market price data and volume of the Company's shares traded on the BSE during the Financial Year 2017-18 were as under:

Month - Year	High Price (in Rs.)	Low Price(in Rs.)	Close Price(in Rs.)	Total Traded Volume (No. of shares)
April-17	84	70	72.85	31,061
May-17	79	67.05	73.1	34,214
June-17	75.75	66.05	69.8	17,688
July-17	82.25	69	72	33,331
August-17	76.5	66	70.35	30,712
September-17	91.9	68.5	78	66,584
October-17	91.5	74	80	46,162
November-17	109.9	76.05	93.5	3,03,331
December-17	117.45	90.7	93.8	2,00,553
January-18	108.85	83.6	89.15	3,01,578
February-18	109.9	73	98.3	2,84,278
March-18	123.35	86	94.15	4,76,079

Closing Price of your Company's Share and the Market Capitalisation as on the last trading day of the Financial Year 2017-18 i.e. March 28, 2018, were as under:

Particulars	BSE
Closing Price (in Rs.)	94.15
Market Capitalisation (in Rs. Lacs)	5,805.92

(vii) Stock Performance:



(viii) Distribution of Shareholding as on March 31, 2018:

Share of Nominal Value	Distribution Schedule on Scrip Value as on March 31, 2018			
	Number of Holders	(%) of Holders	Total Amount	% of Amount
UPTO TO 5000	1,713	81.38	25,16,780.00	4.08
5001 TO 10000	187	8.88	15,51,180.00	2.52
10001 TO 20000	80	3.80	12,33,400.00	2.00
20001 TO 30000	45	2.14	11,76,000.00	1.91
30001 TO 40000	14	0.67	5,04,670.00	0.82
40001 TO 50000	14	0.67	6,29,660.00	1.02
50001 TO 100000	25	1.19	17,77,130.00	2.88
100001 TO ABOVE	27	1.28	5,22,77,850.00	84.77
T O T A L	**2,105**	**100.00**	**6,16,66,670.00**	**100.00**

Share	Distribution Schedule on Number of Shares as on March 31, 2018			
	Number of Holders	(%) ofHolders	Total Shares	% of Shares
UPTO TO 100	1,063	50.50	66,565	1.08
101 TO 200	319	15.15	57,887	0.94
201 TO 500	331	15.72	1,27,226	2.06
501 TO 1000	187	8.88	1,55,118	2.52
1001 TO 5000	153	7.27	3,54,373	5.75
5001 TO 10000	25	1.19	1,77,713	2.88
10001 TO 100000	17	0.81	4,26,943	6.92
100001 TO ABOVE	10	0.48	48,00,842	77.85
T O T A L	**2,105**	**100.00**	**61,66,667.00**	**100.00**

Category-wise Shareholding Pattern of the Company as on March 31, 2018:

Sr. no.	Category	No. of Shareholders	No. of Shares held	% of Share holding
1.	Promoter and Promoter Group	9	46,21,814	74.95
2.	Private Corporate Bodies & NBFCs registered with RBI	55	1,26,053	2.04
3.	Indian Public	1995	13,78,918	22.36
4.	NRI	7	6,164	0.10
5.	Clearing Members	39	33,718	0.55
Total		**2,105**	**61,66,667**	**100.00**

Details of Shares held by Directors as on March 31, 2018:

Name of Directors	No. of Shares Held
Mr. Shantisarup Reniwal (DIN: 00040355)	1,72,080
Mrs. Unnati Reniwal (DIN: 00041306)	4,00,000
Mr. Rakesh Reniwal (DIN: 00029332)	8,58,230
Mr. Manohar Wagh (DIN: 02622648)	01
Mr. Pradeep Bhatia (DIN: 02903984)	0
Mr. Tejas Thakker (DIN: 03017277)	0

(ix) Dematerialisation of Shares and Liquidity

As on March 31, 2018, 98.74% of the total Equity Share Capital of the Company was held in dematerialised form with NSDL and CDSL under International Securities Identification Number (“ISIN”) - INE400G01011.

The break-up of Equity Shares held in dematerialised and physical mode as on March 31, 2018, is as under:

Particulars	No. of Shares	%
Physical	73,400	1.19
Dematerialised Mode(1):		
CDSL	29,03,553	47.08
NSDL	31,89,714	51.73
Total	61,66,667	100

Note:

(1) Entire shareholding of the Promoter and Promoter Group is in Dematerialised form.

(x) Reconciliation of Share Capital Audit:

As stipulated under Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, M/s. Dilip Bharadiya & Associates, Company Secretaries, carry out a quarterly audit for the purpose of reconciliation of the total issued capital, listed capital and the capital held by the depositories in dematerialised form, the details of changes in the Share Capital during each quarter.

Further, an audit report issued in that regard is submitted to the Stock Exchange on quarterly basis and the same is also placed before the Board.

(xi) Outstanding Global Depository Receipts ("GDRs")/ American Depository Receipts ("ADRs")/ Warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has not issued any GDRs/ ADRs/ Warrants/ convertible instruments and hence, there are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments pending for conversion as on March 31, 2018.

(xii) Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities:

Your Company does not engage in commodity hedging activities. The foreign currency exposure of the Company, in respect of its imports, borrowings and export receivables, if any, is hedged as per the Forex Policy of the Company. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all.

(xiii) Share Transfer System:

Your Company has an appropriate share transfer system. Requests for transfer of shares held in physical form can be lodged with the RTA of the Company. If documents are complete in all aspects then the request is generally processed within 15 days of the receipt of the documents.

Transfers in electronic form are much simpler and quicker as the Shareholders have to approach their respective Depository Participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

RTA of your Company ensures compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates. Further, as stipulated under Regulation 40(9) of the SEBI Listing Regulations, the RTA also obtains a half yearly certificate in that regard from M/s. Dilip Bharadiya & Associates, Company Secretaries and the same is filed with the stock exchange.

(xiv) Investor Service and Grievance Handling Mechanism:

A robust mechanism is established by your Company which ensures efficient service to the investors, pro-active handling of investor correspondences and redressal of grievances in an expeditious manner. This mechanism is handled by the Compliance Officer of your Company and the RTA.

During the Financial Year 2017-18, the Company did not receive any complaints.

(xv) Company's Recommendations to the Shareholders:

a. <u>Open Demat Account and Dematerialise your shares</u>

Shareholders may consider converting their physical holdings into dematerialised form and avail the benefits of dealing in Shares in demat form. There are various other benefits such as immediate transfer of shares, no stamp duty payable on transfer of shares held in dematerialised form and avoidance of risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries.

b. Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services, Shareholders who have more than one folio/ demat account in the same order of names, are requested to consolidate their holdings under one folio/ demat account. They may write to the RTA/ Depository Participant ("DP") in that regard. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor and service multiple folios/ demat accounts.

c. Submit Nomination Form

Shareholders shall register their nominations with the Company, in case of physical shares and with their DP, in case of dematerialised shares, to ensure that their shares are transmitted to their respective nominees without any hassles. They must ensure that nomination made is in the prescribed form and must be witnessed by two witnesses in order to be effective. The said form is available for download from the "Investor Relations" section on the website of the Company i.e. www.hariyanagroup.com.

d. Furnish/ update bank account particulars with the Company/ DP

Shareholders holding the shares in physical form shall furnish/ update their latest bank account number and other details with the Company and those holding the shares in dematerialised form should ensure that correct and updated particulars of their bank account are available with the DP. This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid events such as postal delays and loss in transit.

e. Intimate/ update contact details

In order to receive communications on corporate actions and other information of the Company, the Investors may consider intimating their contact details (including address) and changes therein, if any, to the Company/ RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode.

f. Service of documents through electronic means

Your Company holds its Green Initiative in high regard. Pursuant to Section 101 and Section 136 of the Act, Companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their E-mail address either with the Company or with the DPs.

Accordingly, Shareholders who have not registered their e-mail addresses so far, are requested to register their E-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically, by submitting a duly filled E-Communication Registration Form available on the website of the Company i.e. www.hariyanagroup.com, to RTA or to the Company on its designated E-mail Id i.e. contact@hariyanagroup.com.

g. Exercise caution

Shareholders shall keep the Company/ DP updated on any change with respect to their holdings, to avoid likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the Company.

h. Deal with Registered Intermediaries

Shareholders should transact through a registered intermediary, who is subject to regulatory discipline of SEBI, as it will be responsible for its activities and in case the intermediary does not act professionally, the matter can be taken up with SEBI/ Stock Exchanges.

i. Monitor holdings regularly

Demat account should not be kept dormant for a long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the Shareholder is likely to be away for a long period of time and where the securities are held in electronic form, the Shareholder can make a request to the DP to keep the account frozen, so that there can be no debit to the account till the instruction for freezing the account is countermanded by the Shareholder.

j. Mode of Postage

Share certificates and high value dividend/ interest warrants/ cheques/ demand drafts should not be sent by ordinary post. It is recommended that such instruments are by registered post or courier.

(xvi) Plants/ Divisions of the Company with their locations:

1. **Ship Breaking Yard**

Plot No.14, Ship Breaking Yard, Alang, Dist. Bhavnagar, Gujarat – 364001

2. **Bhavnagar Division:**

Hariyana House, 2165/A-2, 2nd Floor, Sanskar Mandal Chowk, Bhavnagar 364 002, (Gujarat)

(xvii) Address for Correspondence:

- All Members' correspondence should be forwarded to Sharex Dynamic (India) Pvt Ltd, the Registrar and Transfer Agent of the Company or to the Company Secretary at the Registered Office of the Company at the addresses mentioned below.
- The Company's dedicated e-mail address for Members' Complaints and other communications is contact@hariyanagroup.com.
- As stated in the SEBI circular dated March 26, 2018, whereby SEBI has issued new policy measures with respect to SEBI Complaints Redress System (SCORES), Members are requested to approach the Company directly at the first instance for their grievances.

Registrar and Share Transfer Agents (R&TA)
Sharex Dynamic (India) Pvt Ltd
Unit-1, Luthra Ind. Premises, Safed Pool
Andheri Kurla Road, Andheri (E)
Mumbai – 400 072
Ph: 28515606, 28515644
Fax: 28512885
Email: sharexindia@vsnl.com

Registered Office
Hariyana Ship-Breakers Limited
156, Maker Chambers VI, 220 Jamnalal Bajaj Marg,
Nariman Point, Mumbai- 400021
Ph: +91 22 22043211
Fax: +91 22 22043215
E-mail: **contact@hariyanagroup.com**
Website: **www.hariyanagroup.com**

(xviii) Feedback:

Your feedback is valuable to us to help us serve you better. Members are requested to give us their valuable suggestions, if any, for enhancement of our Investor Services by writing to us/ RTA at the address provided hereinabove.

Annexure-IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,

The Members,

HARIYANA SHIP-BREAKERS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HARIYANA SHIP-BREAKERS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on March 31, 2018 ("period under review"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure - A,** for the period under review, according to the applicable provisions of:

    (i) The Companies Act, 2013 ("the Act") and the rules made thereunder and the Companies Act, 1956 *(to the extent applicable);*

    (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

    (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder*;*

    (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings *(to the extent applicable)*;

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

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

        (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

        (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We have relied on the representations made by the Company and its officers and report of the Internal Auditor for systems and mechanism formed by the Company for compliances under other applicable Laws. The list of other laws applicable to the Company is given in **Annexure - B.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited ("BSE/ Stock Exchange"), from time to time and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

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

All Resolutions including Circular Resolutions of the Board of Directors and its Committees are approved by the requisite majority and are duly recorded in the respective minutes.

Majority decision is carried through, while the dissenting views of the Directors/ Members, if any, are captured and recorded as part of the minutes.

We further report that

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

There were no events/ actions in pursuance of:

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

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

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

We further report that during the period under review there were no instances of:

(a) Public/ Rights Issue of Equity Shares & Equity Warrants/ Debentures/ Sweat Equity;

(b) Redemption/ Buy- back of securities;

(c) Merger/ Amalgamation/ Reconstruction, etc.; and(

(d) Foreign Technical Collaborations

This report is to be read with our letter of even date, which is annexed as **Annexure - C** to this report.

Sd/-
DILIP BHARADIYA
Proprietor
DILIP BHARADIYA & ASSOCIATES
FCS No.: 7956., C P No.: 6740

Place : Mumbai
Date : May 30, 2018

Annexure - A

List of documents verified

1. Memorandum and Articles of Association of the Company.
2. Annual Report for the Financial Year ended March 31, 2017.
3. Minutes and Attendance Registers of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, held during the period under review.
4. Circular Resolutions approved by the Board of Directors and its Committees from time to time.
5. Minutes of General Body Meetings held during the period under review.
6. Statutory Registers viz.
   - Register of Members;
   - Register of Directors and Key Managerial Personnel and their Shareholding;
   - Register of loans, guarantee, security and acquisition made by the Company;
   - Register of Charge;
   - Register of Contracts with Related Party and contracts and bodies, etc. in which directors are interested.
7. Agenda papers submitted to all the Directors / Members for the Board and Committee Meetings.
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2), Section 149(3) and Section 149(7) of the Act.
9. Intimations received from Directors under the Code of Conduct for Trading in Listed or Proposed to be Listed Securities of the Company.
10. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Act, alongwith the attachments thereof, during the period under review.
11. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the Stock Exchange, from time to time during the period under review.

Annexure - B

List of applicable laws to the Company

(i) Gujarat Maritime Board Act, 1981;

(ii) The Factories Act, 1948;

(iii) The Contract Labour Act, 1970; and

(iv) The Hazardous Wastes (Management & Handling) Rules, 1989 under Gujarat Pollution Control Board

Annexure - C

To,
The Members,
HARIYANA SHIP-BREAKERS LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, 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 obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure 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.

Sd/-
DILIP BHARADIYA
Proprietor
DILIP BHARADIYA & ASSOCIATES
FCS No.: 7956., C P No.: 6740

Place: Mumbai
Date : May 30, 2018

Annexure-V

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of HARIYANA SHIP BREAKERS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by HARIYANA SHIP BREAKERS LIMITED (hereinafter the "Company"), for the year ended March 31, 2018, as stipulated in provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 the SEBI Listing Regulations.

Auditor's Responsibility

3. 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.

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

5. 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.

6. 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

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

8. 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 P. D. Goplani & Associates
Chartered Accountants
Firm Reg. No. 118023W

Sd/-
CA. Prem Goplani
Partner
Membership No. 103765

Mumbai
May 30, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of **Hariyana Ship Breakers Limited**
Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Hariyana Ship Breakers Limited**, ('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 Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information [in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at Mumbai].

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditor of the Company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the branch auditor on the financial information of the branch of the Company referred to in the Other Matters paragraph below, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, cash flows and the changes in equity for the year ended on that date.

Other Matters

We did not audit the Ind AS financial statements/ information of Mumbai branch included in these standalone Ind AS financial statements of the Company whose Ind AS financial statements/ financial information reflect total assets of Rs. 17655.91 Lakhs as at March 31, 2018 and total revenues of Rs.1955.91 Lakhs for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements/ information of this branch have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditors.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter with respect to our reliance on work done and the report of the branch auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from the branches not visited by us].

   c. The reports on the accounts of the branch offices of the company audited under section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us].

   e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   f. On the basis of the written representations received from the directors as on March 31, 2018 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;

   g. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and to branch auditors in terms of their report referred in the Other Matters paragraph above:

   i. the Company has disclosed impact of pending litigations on its financial position in its financial statements - *Refer Note 43 of the standalone financial statements;*

   ii. the Company did not any long term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There has been no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

2. 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 B" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Prem Goplani
Partner
M. No. 103765

Mumbai
May 30, 2018

Annexure A to the Auditors' Report

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 **Hariyana Ship Breakers Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date [in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at Mumbai].

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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountant of India and the Standards on Auditing as specified 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. 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 obtained by us and the audit evidence obtained by the branch auditors in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of information and explanations provided to us, and based on the consideration of report of the branch auditor on the financial information referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 reports 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 as it relates to Mumbai Branch, is based on the corresponding reports of the auditors of such branch.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Prem Goplani
Partner
M. No. 103765

Mumbai
May 30, 2018

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of **Hariyana Ship Breakers Limited** ('the Company') for the year ended March 31, 2018)

Our reporting on the Order includes branch of the Company, which has been audited by branch auditors in terms of their report referred in the Other Matters paragraph of our report of even date, and our report referred in respect of the branch is solely on the report of the auditor.

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

b) All the assets have not been physically verified by the management during the year, but as per the information and explanations provided to us, there is a regular programme of physical verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) According to information and explanations given by the management, the title deeds of immovable properties, included under tangible fixed assets, are held in the name of the Company, ***except as detailed in Annexure – 1,*** *The company holds certain lands near Shantigrama, Hassan. We were given to understand except main land on which company has constructed factory building is registered in favor of the company, however, all other are agriculture lands, situated at Near Shantigrama, Hassan, cannot be registered in the name of the company; and therefore, the properties are registered in the name of Mr. H. Veerappa and subsequently a general power of attorney is entered by Mr. H. Veerappa in favor of the company. Details of such agricultural land are enclosed to this report. Moreover, in case of Green Plot Development (Alang), the company has done redevelopment work on a lease hold plot at Alang (Alang Ship Breaking Yard, Alang).*

ii) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on such physical verification.

iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

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 Companies Act, 2013.

v) According to the information and explanations given to us, the company has not invited any deposits as per the provisions of section 73 to 76 or any other relevant provisions of companies act and the rules framed there under.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii) a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it and no such undisputed amounts were in arrears for a period of more than six months from the date they became payable.

b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

(Rs in lakhs)

Name of the authority (where the dispute is pending)	Related period	Nature	Amount (Rs. in lakhs)
Hon. ITAT, Mumbai	AY 2007-08	Income Tax	Rs.3.97
Hon. ACIT Circle 3(1)(2), Mumbai	AY 2009-10	Income Tax	Rs.1.88
Hon. ACIT Circle 3(1)(2), Mumbai	AY 2010-11	Income Tax	Rs.2.01
Hon. DCIT Circle 3(1)(2), Mumbai	AY 2011-12	Income Tax	Rs.3.58
Hon. DCIT Circle 3(1)(2), Mumbai	AY 2012-13	Income Tax	Rs.30.31
Hon. ACIT Circle 3(1)(2), Mumbai	AY 2013-14	Income Tax	Rs.60.30
Hon. CIT (Appeal)-8, Mumbai	AY 2014-15	Income Tax	Rs.98.54

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution. The Company has not taken any loan from government.

ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loan during the year under report.

x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) According to the information and explanations given by the management and based on the examinations 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 under review.

xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

CA. Prem Goplani
Partner
M. No. 103765

Mumbai
May 30, 2018

Annexure 1 to Companies Auditors Report (CARO 2016)
Details of Para 3(i) (c) : Immovable Properties

(Rs in lakhs)

Sr. No.	Particulars	Gross Block Value as at 31.03.2018 (Rs.)	Net Block Value as at 31.03.2018 (Rs.)	Remarks
1	Agricultural Land Survey No. 10/2, 10/1, KanchanhalliVillage, Shantigrama, Hobli, Hassan Taluk	6.51	6.51	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
2	Agricultural Land Survey No. 13/1,9/1,9/4,9/5, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	6.08	6.08	Held in the name of Mr. H. Veerappa as Company can not purchase agriculture land; and a registered power of attorney is entered in his favour.
3	Agricultural Land Survey No. 10/7, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	6.10	6.10	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
4	Agricultural Land Survey No. 9/2, 9/3, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	1.99	1.99	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
5	Agricultural Land Survey No. 8/2, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	1.47	1.47	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
6	Agricultural Land Survey No. 9/6, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	0.72	0.72	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
7	Agricultural Land Survey No. 16/p-1, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	10.50	10.50	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
8	Agricultural Land Survey No. 8/3, 10/8, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	6.19	6.19	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
9	Agricultural Land Survey No. 10/6, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	0.98	0.98	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
10	Agricultural Land Survey No. 10/3, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	2.40	2.40	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
11	Agricultural Land Survey No. 10/4, 11/1a, 10/5, Kanchanhalli Village, Shantigrama, Hobli, Hassan Taluk	6.51	6.51	Held in the name of Mr. H. Veerappa as Company cannot purchase agriculture land; and a registered power of attorney is entered in his favour.
12	Godown 1929, Iron & Steel Market Yard, Kalamboli, Dist: Raigad	48.17	28.19	Held in the name of director of the company.

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Hariyana Ship Breakers Limited**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Hariyana Ship Breakers Limited** (hereinafter referred to as 'the Company'), its one subsidiary and six associates (the company, its subsidiary and 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, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

The respective Board of Directors of the company included in the group and of its subsidiary and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 Ind AS 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 presentation of the consolidated Ind AS financial statements by the Directors of the company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on the financial statements/ financial information of the branch and six associates of the Company referred to below to in sub-paragraph (a) and (b) of the Other Matters, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the Ind AS financial statements/information of Mumbai branch of the Company included in these Consolidated Ind AS financial statements of the Company whose Ind AS financial statements/ financial information reflect total assets of Rs. 17655.91 Lakhs as at March 31, 2018 and total revenues of Rs. 1955.91 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The Ind AS financial statements/information of this branch have been audited by the branch auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditors.

(b) The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. Nil for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of six associates, whose financial statements/ financial information have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion 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 Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the financial statements/ financial information of the branch and six associates of the company referred to above in sub-paragraph (a) and (b) of the Other Matters paragraph above, we report, to the extent applicable, that:

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated Ind AS financial statements;

b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and report of the other auditors referred in Other Matters paragraph above;

c. the report on the financial statements/ financial information audited by the other auditors, referred to in Other Matters paragraph above, has been sent to us and has been properly dealt with by us in preparing this report;

d. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of presentation of consolidated Ind AS financial statements and the financial information of branch and six associates of the Company audited by the other auditors referred to in Other Matters paragraph above;

e. in our opinion, and based on the consideration of the report of the other auditors referred to in Other Matters paragraph above, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act;

f. on the basis of the written representations received from the directors of the company as on March 31, 2018 taken on record by the Board of Directors of the company incorporated in India, none of the directors of the Group is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

g. with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report, which is based on our audit of the Company and the consideration of the report of the other auditors referred in the Other Matters paragraph above. Our report express an unmodified opinion on the adequacy and operating effectiveness of such branch's and such associates' internal financial control over financial reporting; and

h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and to other auditors in terms of their report referred in the Other Matters paragraph above:

    i. the Group has disclosed impact of pending litigations on its financial position in its Ind AS financial statements - *Refer Note 40 of the Consolidated Ind AS financial statements;*

    ii. the Group did not any long term contracts including derivative contracts for which there were any material foreseeable losses.

    iii. There has been no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company, its subsidiary and associates.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Prem Goplani
Partner
M. No. 103765

Mumbai
May 30, 2018

Annexure A to the Independent Auditors' Report

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 Ind AS financial statements of the company as of March 31, 2018, we have audited, the internal financial controls over financial reporting of **Hariyana Ship Breakers Limited** (hereinafter referred to as 'the Company'), its one subsidiary and six associates.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company, its one subsidiary and six associates 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. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting of the company, its one subsidiary and six associates based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 obtained by us and the audit evidence obtained by the other auditors referred to in sub-paragraph (a) and (b) of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the company, its one subsidiary and six associates.

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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors referred to below in sub-paragraph (a) and (b) of the Other Matters paragraph below, the Company, its one subsidiary and six associates, 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company, its one subsidiary and six associates 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

(a) Our aforesaid reports 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 as it relates to Mumbai Branch of the Company, is solely based on the corresponding reports of the auditors of such.

(b) Our aforesaid reports 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 as it relates to six associates of the Company, is solely based on the corresponding reports of the auditors of associates.

Our opinion is not modified in respect of the above matters.

For P. D. Goplani & Associates
Chartered Accountants
FRN: 118023W

Sd/-
CA. Prem Goplani
Partner
M. No. 103765

Mumbai
May 30, 2018

Standalone Balance Sheet as at March 31, 2018

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-Current Assets				
(A) Property, Plant And Equipment	6	612.11	582.44	1,236.85
(B) Capital Work - in - Progress	7	-	11.36	-
(C) Investment Property	8	257.02	270.46	277.64
(D) Other Intangible Assets	9	0.70	0.00	0.22
(E) Financial Assets				
(i) Investments	10	10,707.53	6,947.47	7,704.05
(F) Other Non Current Asset	11	89.64	80.32	72.06
		11,667.00	**7,892.06**	**9,290.82**
Current Assets				
(A) Inventories	12	26,972.10	1,862.70	362.93
(B) Financial Assets				
(i) Trade Receivable	13	16.89	2,249.33	3,466.72
(ii) Cash And Cash Equivalents	14	4,459.30	43.97	108.60
(iii) Loans	15	1,985.57	9,519.70	11,770.70
(iv) Other Financial Assets	16	28.97	116.96	177.95
(C) Other Current Assets	17	1,730.03	248.14	56.00
		35,192.84	**14,040.80**	**15,942.89**
Total Assets		**46,859.84**	**21,932.86**	**25,233.71**
EQUITY AND LIABILITIES				
Equity				
(A) Equity Share Capital	18	616.67	616.67	616.67
(B) Other Equity	19	11,840.99	10,859.57	9,922.81
		12,457.66	**11,476.23**	**10,539.48**
Non-Current Liabilities				
(A) Financial Liabilities				
(i) Borrowings	20	-	697.62	645.35
(B) Provisions	21	3.45	2.23	-
(C) Deferred Tax Liabilities (Net)	27	59.67	67.31	240.58
(D) Other Non Current Liabilities	22	13.40	16.90	13.40
		76.52	**784.06**	**899.33**
Current Liabilities				
(A) Financial Liabilities				
(i) Borrowings	23	343.41	154.87	30.13
(ii) Trade Payables	24	30,782.62	9,048.89	13,597.69
(iii) Other Financial Liabilities	25	34.33	14.04	3.09
(B) Other Current Liabilities	26	3,123.37	448.13	163.99
(C) Current Tax Liabilities (Net)	27	41.94	6.64	-
		34,325.67	**9,672.56**	**13,794.90**
Total Equity and Liabilities		**46,859.84**	**21,932.86**	**25,233.71**

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

As per our report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**Hariyana Ship-Breakers Limited**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Prem Goplani	**Shantisarup Reniwal**	**Rakesh Reniwal**	**Swati Chauhan**
Partner	Director	Director	Company Secretary
M. No. 103705	DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Standalone Statement of Profit and Loss for the year ended March 31, 2018

(Rs. In Lakhs)

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations			
Sale of Products	28	15,717.02	28,591.32
Other Operating Income		-	-
Revenue from operations		**15,717.02**	**28,591.32**
Other Income	29	2,087.60	3,328.00
Total Revenue [I]		**17,804.62**	**31,919.32**
Expenses			
Cost of raw materials and components consumed	30	5,360.34	9,311.82
Purchase of Stock-in-trade	31	23,404.46	19,355.35
Changes in the inventories of Finished Goods, Stock In Trade and Work - In Progress	32	-13,887.59	-662.50
Employee benefits expense	33	178.79	128.29
Excise Duty		102.52	1,046.52
Finance costs	34	390.75	786.69
Depreciation and amortisation expense	6,8,9	45.33	202.34
Other Expenses	35	1,185.21	517.82
Total expenses [II]		**16,779.81**	**30,686.33**
Profit before Exceptional Items and Tax [III=I-II]		**1,024.81**	**1,232.98**
Exceptional Items [IV]		-	361.80
Profit before tax [V=III-IV]		**1,024.81**	**871.19**
Tax Expenses :			
(1) Current Tax	27	51.67	107.71
(2) Deferred Tax		-7.82	-173.27
Total tax expense [VI]		**43.84**	**-65.56**
Profit for the year [A=V-VI]		**980.96**	**936.75**
Other comprehensive income			
i. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
ii. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		0.65	-
Income tax effect		-0.19	-
		0.46	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (ii)		0.46	-
Total other comprehensive income for the year, net of tax [B=i+ii]		0.46	-
Total comprehensive income for the year, net of tax [A+B]		**981.42**	**936.75**
Earning per equity share [nominal value per share Rs.10/-]			
Basic		15.91	15.19
Diluted		15.91	15.19

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Prem Goplani
Partner
M. No. 103705

For and on behalf of the Board
Hariyana Ship-Breakers Limited

Sd/-	Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**	**Swati Chauhan**
Director	Director	Company Secretary
DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Standalone statement of Cash flow for the year ended on March 31, 2018

(Rs. In Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities		
1. Profit before tax	1,025.46	871.19
Loss from continuing operations	-	-
Profit from discontinued operations	-	-
	1,025.46	871.19
2. Adjustment for :		
Depreciation and amortisation expense	45.33	202.34
Finance cost	390.75	786.69
Interest income	-849.95	-1,763.03
Provision for doubtful debts	-2.30	-1.20
Operating profit before working capital changes (1+2)	609.28	95.99
3. Adjustments for working capital changes:		
Decrease / (Increase) in Trade and other receivables	831.52	1,079.18
Decrease / (Increase) in Inventories	-25,109.39	-1,499.77
(Decrease) / Increase in Trade and other payables	24,462.28	-4,241.35
Cash used in operations	793.69	-4,565.95
Extraordinary item	-	-
4. Direct taxes paid	-51.67	-107.71
Net Cash generated from/(used in) operating activities [A]	**742.02**	**-4,673.66**
Cash Flow from investing activities		
Purchase of fixed assets (including capital advances)	-50.90	-50.44
Proceeds from sale of fixed assets	-	498.54
Proceeds/ Repayment of current loans, net	7,534.13	2,251.00
Purchase of non current investments (Net)	-3,760.05	756.58
Interest received	849.95	1,763.03
Net cash generated from/(used in) investing activities [B]	**4,573.13**	**5,218.70**
Cash flow from financing activities		
Proceeds from long term borrowings, net	-697.62	52.27
Proceeds from short term borrowings, net	188.55	124.74
Finance cost	-390.75	-786.69
Net cash generated from/(used in) financing activities [C]	**-899.82**	**-609.68**
Net increase/(decrease) in cash & cash equivalents [A+B+C]	**4,415.33**	**-64.63**
Cash & cash equivalents at the beginning of the year	43.97	108.60
Cash & cash equivalents at the end of the year	**4,459.30**	**43.97**
Notes:		
1. A) Components of cash & cash equivalents		
Cash on hand	25.59	32.39
Balances with banks	-	-
- In Current accounts	7.26	11.58
- In Fixed deposit accounts	4,426.45	-
	4,459.30	**43.97**

2 The amendments to IND-AS 7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclousre is made below. There is no other impact on the financial statements due to this amendment.

3 The above cashflow statement has been prepared under the 'indirect method' as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows".

4 The previous year's figures have been regrouped wherever necessary.

Notes forming part of financial statements (including significant accounting policies) (Notes 1-46)

As per our report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**Hariyana Ship-Breakers Limited**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Prem Goplani	**Shantisarup Reniwal**	**Rakesh Reniwal**	**Swati Chauhan**
Partner	Director	Director	Company Secretary
M. No. 103705	DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Statement of Changes in Equity for the year ended March 31, 2018

A) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2016	616.67
Changes in Equity share capital during the year	-
Balance as at March 31, 2017	616.67
Balance as at April 1, 2017	616.67
Changes in Equity share capital during the year	-
Balance as at March 31, 2018	616.67

B. Other equity

Particulars	Attributable to the equity holders of the Company Reserve and Surplus					
	Securities Premium	Capital Reserves	General Reserves	Capital Redemption Reserves	Retained Earnings	Total
Balance as at 1st April, 2016	**140.38**	**893.61**	**374.25**	**500.00**	**8,014.57**	**9,922.81**
Additions during the year:	-	-	-	-	-	-
Profit for the year	-	-	-	-	936.75	**936.75**
Items of OCI for the year, net of tax-	-	-	-	-	-	**-**
Remeasurement benefit of defined benefit plans (net of taxes)	-	-	-		-	**-**
Balance as at 31st March, 2017	**140.38**	**893.61**	**374.25**	**500.00**	**8,951.32**	**10,859.57**
Balance as at 1st April, 2017	**140.38**	**893.61**	**374.25**	**500.00**	**8,951.32**	**10,859.57**
Additions during the year:						
Profit for the year					980.96	980.96
Items of OCI for the year, net of tax-					-	-
Remeasurement benefit of defined benefit plans (net of taxes)	-	-	-	-	0.46	0.46
Balance as at 31st March, 2018	**140.38**	**893.61**	**374.25**	**500.00**	**9,932.74**	**11,840.99**

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Prem Goplani
Partner
M. No. 103765

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board
Hariyana Ship-Breakers Limited

Sd/-	Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**	**Swati Chauhan**
Director	Director	Company Secretary
DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Notes to the Standalone Financial Statements

Note 1 : Corporate information

Hariyana Ship Breakers Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has its primary listing on BSE Limited.

During the year, the Company was engaged in Ship Recycling (ship breaking), Manufacturing of Sponge Iron & Steels, Trading in Ferrous & Non-Ferrous Metals and Coal and Investment. As and when any surplus fund are available, the same is given on interest to other parties and also invested in the shares and securities to earn short term and long term capital gains.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2018.

Note 2 : Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 5.

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees and all values are rounded to the nearest lacs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Note 3 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1. Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2. Foreign currencies

The Company's standalone financial statements are prepared in Indian Rupee ("Rupee") which is the also the Company's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3. Fair value measurement

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4. Property, plant and equipment

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of Property, Plant and Equipment recognised as at April 1, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

All the items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased during a period is proportionately charged.

Useful lives and residual values of assets are reviewed periodically

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

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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

5. Leases

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6. Borrowing costs

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

7. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

8. Intangible assets

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

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

9. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

10. Revenue recognition

Revenue is recognised to the extent 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 of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) 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.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

The Company is providing management consulting towards various operational and strategic activities and certain other shared services to some of its subsidiaries. Income from such management consultancy and shared services are recognised in the statement of profit and loss in which such services are rendered.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in 'Other Income' in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

11. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associate, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Investments in subsidiaries and associate are carried at cost as per Ind AS 27 'Separate Financial Statements'. In case, the investments are classified as held for sale, such investments are accounted for in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit or loss (FVTPL).

d) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) 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, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or as those measured at amortised cost.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Derecognition

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 or loss.

12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13. Taxes

Current taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14. Employee benefits

Retirement benefit in the form of contribution to provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company’s liabilities towards gratuity and leave encashment payable to its employees are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

15. Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

16. Provisions & contingent liabilities

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability arises when the Company has:

a) a possible obligation 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; or

b) a present obligation that arises from past events but is not recognised because:

   (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

(B) <u>Key accounting estimates</u>

1. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

2. Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer to Note 36 for further details.

3. Property, Plant and Equipment

Refer to Note 6 for the estimation of useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 6.

4. Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc.

Individual trade receivables are written off when the management deems them not to be collectable.

Note 4 : Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes

5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

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, the MCA notified the Ind AS 115. 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.

Note 5 : Transition to IND AS

These financial statements are the Company's first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. For periods up to and including the year ended on March 31, 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 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

5.1 Optional exemptions availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, Investment Properties and Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset.

Accordingly, the company has elected to measure all of its property, plant and equipment, Investment Properties and intangible assets at their previous GAAP carrying value.

2 Investment in subsidiaries and associate

The Company has elected the option provided under Ind AS 101 to measure all its investments in subsidiaries and associate at previous GAAP carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investments.

3 Fair value measurement of financial assets or financial liabilities

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

5.2 Applicable mandatory exceptions

1 Estimates

The estimates at April 1, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

- FVTPL investments
- FVTOCI – debt securities
- Impairment of financial assets based on expected credit loss model

2 Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

5.3 Reconciliation between previous GAAP and Ind AS

1. Reconciliation of equity between previous GAAP and Ind AS

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Equity under previous GAAP		**11,491.60**	**10,552.56**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	-0.00	5.27
Impact of provision for ECL on Trade Receivables	ii	-3.17	-4.38
Provision for Gratuity as per Ind AS	iii	-2.23	-
Tax impact on Ind AS adjustments	v	-9.96	-13.97
Equity as per Ind AS		**11,476.23**	**10,539.48**

2. Total comprehensive income reconciliation for the year ended March 31, 2017

(Rs. in Lakhs)

Particulars	Notes	For the year ended on March 31, 2017
Net Profit under previous GAAP		**945.72**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	-5.27
Impact of provision for ECL on Trade Receivables	ii	1.20
Impact of depreciation	iv	-6.68
Provision for Gratuity as per Ind AS	iii	-2.23
Tax impact on Ind AS adjustments	v	4.01
Net Profit under Ind AS		936.75
Total comprehensive profit under Ind AS		**936.75**

i Fair valuation of investments (other than investment in subsidiaries and associate)

Under previous GAAP, the current investments were measured at lower of the cost or market value . Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the statement of profit and loss or other comprehensive income (based on the category in which they are classified).

ii Provision for ECL on Trade receivables

On the date of transition to Ind AS, the provision for expected credit loss on trade receivables has resulted in a decrease in the carrying amount of these receivables by Rs. 4.38 lakhs which has been recognised directly in retained earnings (Equity).

As at 31st March, 2017, the provision for expected credit loss on trade receivables has resulted in a decrease in the carrying amount of these receivables by Rs. 3.17 lakhs. On such provision, net gain amounting to 1.20 lakhs has been recognised in other expenses in the Statement of Profit and Loss.

iii Provision for Gratuity

Company have created provision for gratuity liability based on Actuarial valuation report as per Ind AS - 19. Actuarial gain / loss disclosed in the Actuarial valuation statement is transferred to other comprehensive income.

iv Cost Model of PPE

Under Previous GAAP, Property, Plant & Equipment were revalued and depreciation on the revaluation amount was charged to Revaluation Reserve. Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, as recognised in the financial statements as at the date of transition to Ind AS. Hence, Depreciation is charged to profit & loss post transition.

v Deferred Tax

Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

vi Excise Duty

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 1046.52 lakhs. There is no impact on the total equity and profit.

3. Cashflow reconciliation for the year ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Note No:- 6 Property Plant and Equipment

Note No:- 6	Property Plant and Equipment												
ASSETS	Factory Land	Building Premises	Godown	Office	Green Plot Developement (Alang)	Flat - Madhav Hill	Factory Building	Roads & Culvets	Plant & Machineries	Crane	Pollution Control Equipments	Asbestos Handling Machine	Office Equipments
Gross carrying amount													
As at April 1, 2016	235.30	2.36	8.07	16.88	-	12.65	135.07	0.49	507.18	87.14	135.29	1.96	2.44
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	16.88	-	-	-	0.49	501.90	-	135.29	-	0.81
As at March 31, 2017	**235.30**	**2.36**	**8.07**	-	-	**12.65**	**135.07**	-	**5.28**	**87.14**	-	**1.96**	**1.62**
As at April 1, 2017	235.30	2.36	8.07	-	11.36	12.65	135.07	-	5.28	87.14	-	1.96	1.62
Additions	4.64	8.77	-	-	16.39	-	-	-	4.07	2.90	-	-	-
Disposal	-		-	-	-	-		-			-	-	-
As at March 31, 2018	**239.94**	**11.13**	**8.07**	-	**27.75**	**12.65**	**135.07**	-	**9.35**	**90.04**	-	**1.96**	**1.62**
Accumulated depreciation													
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.09	0.75	0.13	-	-	6.26	0.02	130.51	13.14	28.60	0.18	0.15
Deduction / Adjustment /Writtent back	-	-	-	0.13	-	-	-	0.02	130.14	-	28.60	-	-
As at March 31, 2017	-	**0.09**	**0.75**	-	-	-	**6.26**	-	**0.37**	**13.14**	-	**0.18**	**0.15**
As at April 1, 2017	-	0.09	0.75	-	-	-	6.26	-	0.37	13.14	-	0.18	0.15
Depreciation for the year	-	0.09	0.75	-	0.26	-	-	-	0.54	13.39	-	0.18	0.34
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	**0.18**	**1.49**	-	**0.26**	-	**6.26**	-	**0.92**	**26.53**	-	**0.36**	**0.49**
Net Carrying Amounts													
As at April 1, 2016	**235.30**	**2.36**	**8.07**	**16.88**	-	**12.65**	**135.07**	**0.49**	**507.18**	**87.14**	**135.29**	**1.96**	**2.44**
As at March 31, 2017	**235.30**	**2.27**	**7.33**	-	-	**12.65**	**128.81**	-	**4.91**	**74.00**	-	**1.78**	**1.47**
As at March 31, 2018	**239.94**	**10.95**	**6.58**	-	**27.49**	**12.65**	**128.81**	-	**8.44**	**63.51**	-	**1.60**	**1.13**

ASSETS	Oxygen Tank	Mobile	Furniture	Computer	Air Conditioners	Metal Detector	Vehilcle	Transport Vehicle	Portable Generator Set	Wire Ropes	Fire Fighting Equipments	Spectormeter	Wieghing Machine	Weigh Bridge	Winch	Total
Gross carrying amount																
As at April 1, 2016	-	0.24	3.76	0.92	2.53	0.49	27.98	0.25	0.01	32.24	0.67	5.36	0.35	8.34	8.88	1,236.85
Additions	21.01	0.34	-	-	-	-	13.39	-	-	4.34	-	-	-	-	-	39.08
Disposal	-	-	2.00	0.05	-	-	-	0.25	-	-	-	-	-	-	-	657.68
As at March 31, 2017	**21.01**	**0.58**	**1.76**	**0.87**	**2.53**	**0.49**	**41.37**	-	**0.01**	**36.58**	**0.67**	**5.36**	**0.35**	**8.34**	**8.88**	**618.25**
As at April 1, 2017	21.01	0.58	1.76	0.87	2.53	0.49	41.37	-	0.01	36.58	0.67	5.36	0.35	8.34	8.88	629.61
Additions	1.02	0.20	0.36	0.37	-	-	8.51	-	-	-	-	-	-	-	2.80	50.04
Disposal					-	-		-	-	-	-	-	-	-		-
As at March 31, 2018	**22.03**	**0.78**	**2.12**	**1.24**	**2.53**	**0.49**	**49.88**	-	**0.01**	**36.58**	**0.67**	**5.36**	**0.35**	**8.34**	**11.68**	**679.65**
Accumulated depreciation																
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	1.10	0.13	0.77	0.25	0.24	0.08	5.77	-	-	3.82	0.14	0.56	0.08	1.44	0.76	194.95
Deduction / Adjustment /Writtent back	-	-	0.25	-	-	-	-	-	-	-	-	-	-	-	-	159.14
As at March 31, 2017	**1.10**	**0.13**	**0.51**	**0.25**	**0.24**	**0.08**	**5.77**	-	-	**3.82**	**0.14**	**0.56**	**0.08**	**1.44**	**0.76**	**35.81**
As at April 1, 2017	1.10	0.13	0.51	0.25	0.24	0.08	5.77	-	-	3.82	0.14	0.56	0.08	1.44	0.76	35.81
Depreciation for the year	1.33	0.26	0.13	0.37	0.24	0.08	6.72	-	-	4.05	0.14	0.56	0.08	1.44	0.78	31.73
Deduction / Adjustment /Writtent back	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**2.43**	**0.38**	**0.65**	**0.62**	**0.48**	**0.15**	**12.49**	-	-	**7.87**	**0.29**	**1.13**	**0.15**	**2.88**	**1.53**	**67.54**
Net Carrying Amounts																
As at April 1, 2016	-	**0.24**	**3.76**	**0.92**	**2.53**	**0.49**	**27.98**	**0.25**	**0.01**	**32.24**	**0.67**	**5.36**	**0.35**	**8.34**	**8.88**	**1,236.85**
As at March 31, 2017	**19.91**	**0.45**	**1.24**	**0.62**	**2.29**	**0.42**	**35.59**	-	**0.01**	**32.76**	**0.52**	**4.80**	**0.28**	**6.90**	**8.12**	**582.44**
As at March 31, 2018	**19.60**	**0.40**	**1.47**	**0.62**	**2.05**	**0.34**	**37.39**	-	**0.01**	**28.71**	**0.38**	**4.23**	**0.20**	**5.47**	**10.15**	**612.11**

Note 7 : Capital Work In Progress

Particulars	Green Plot Development (Alang)
Gross carrying Amount	
As at April 1, 2016	**-**
Additions	11.36
Deductions	-
As at March 31, 2017	**11.36**
As at April 01, 2017	**11.36**
Additions	-
Deductions	
(Transfer to Property, Plant & Equipments)	11.36
As at March 31, 2018	**-**
Net carrying amount	
As at March 31, 2018	**-**
As at March 31, 2017	11.36
As at April 1, 2016	-

Note 8 : Investment Property

Particulars	Premises (Other than Factory)	Warehouse (Leasehold)	Total
Gross carrying amount			
As at April 1, 2016	**247.91**	**29.72**	**277.64**
Additions	-	-	-
Inter Transfers	-	-	-
Recoupment / Adjustment	-	-	-
Deductions	-	-	-
As at March 31, 2017	**247.91**	**29.72**	**277.64**
As at April 1, 2017	**247.91**	**29.72**	**277.64**
Additions	-	-	-
Inter Transfers	-	-	-
Recoupment / Adjustment	-	-	-
Deductions	-	-	-
As at March 31, 2018	**247.91**	**29.72**	**277.64**
Accumulated depreciation			
As at April 1, 2016	**-**	**-**	**-**
Depreciation for the year	6.41	0.76	7.18
Inter Transfers	-	-	-
Impairment for the year	-	-	-
Deductions	-	-	-
As at March 31, 2017	**6.41**	**0.76**	**7.18**
As at April 1, 2017	**6.41**	**0.76**	**7.18**
Depreciation for the year	12.67	0.76	**13.43**
Inter Transfers	-	-	-
Impairment for the year	-	-	-
Deductions	-	-	-
As at March 31, 2018	**19.08**	**1.53**	**20.61**
Net carrying amount			
As at April 1, 2016	**247.91**	**29.72**	**277.64**
As at March 31, 2017	**241.50**	**28.96**	**270.46**
As at March 31, 2018	**228.83**	**28.19**	**257.02**

Information regarding income and expenditure of Investment property

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rental income derived from Investment Property	6.68	5.20
Direct operating expenses (including repairs and maintenance) generating rental income	0.12	0.12
Profit arising from investment property before depreciation and indirect expenses	**6.56**	**5.08**
Less : Depreciation	13.43	7.18
Profit arising from investment property before indirect expenses	**-6.88**	**-2.10**

The Company has no restrictions on the realisability of its investment property and no contractual obligations to construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property are as under:

Fair value	Premises (Other than Factory)	Warehouse (Leasehold)	Total
As at April 1, 2016	**247.91**	**29.72**	**277.64**
Changes in fair value	-6.41	-0.76	7.18
Purchases	-	-	-
As at March 31, 2017	**241.50**	**28.96**	**270.46**
Changes in fair value	-12.67	-0.76	-13.43
Purchases	-	-	-
As at March 31, 2018	**228.83**	**28.19**	**257.02**

Note 9 : Other Intangible Assets

Particulars	Website
Gross carrying amount	
As at April 1, 2016	0.22
Additions	-
Disposal	-
As at March 31, 2017	**0.22**
As at April 1, 2017	0.22
Additions	0.86
Disposal	-
As at March 31, 2018	**1.08**
Accumulated depreciation	
As at April 1, 2016	-
Depreciation for the year	0.22
Deduction / Adjustment /Writtent back	-
As at March 31, 2017	**0.22**
As at April 1, 2017	0.22
Depreciation for the year	0.17
Deduction / Adjustment /Writtent back	-
As at March 31, 2018	**0.38**
Net Carrying Amounts	
As at April 1, 2016	**0.22**
As at March 31, 2017	**0.00**
As at March 31, 2018	**0.70**

Note No:- 10 Investments Non - Current

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(A) Investment at Cost			
In Partnership Firms *	10,626.84	6,947.47	6,066.22
In Equity Shares (Unquoted)	-	-	-
- The Cuffe Persepolis premises of Co-Operative Ltd.	0.00	0.00	0.00
1 (PY 1.00) share of Rs.10/- each paid up	-	-	-
	-	-	-
Investment at Fair value through profit and loss (FVTPL):	-	-	-
Mutual Funds (Quoted)	-	-	-
Axis Liquid Fund (Edelweiss)	27.11	-	-
1411.2020 Units (PY Nil)	-	-	-
PNB Principal Low Duration Growth Plan	53.57	-	-
1874.501 Units (PY Nil)	-	-	-
PNB Principle Regular Growth Fund	-	-	1,637.83
111283.440 Units (PY Nil)	-	-	
	-	-	-
Investment in Shares (Quoted)	0.0023	0.0027	0.0030
Inducto Steel Ltd	-	-	-
10 (PY 10) shares of Rs.10/- each fully paid up	-	-	-
	-	-	-
Total	**10,707.53**	**6,947.47**	**7,704.05**

Note:

(a) Aggregate value of quoted investments and market value thereof	80.69	0.00	1,637.83
(b) Aggregate value of unquoted investments and market value thereof	10,626.84	6,947.47	6,066.22

*** Details of Investment in Partnership Firms**

Particulars	Shares in Profit/Loss	As at March 31, 2018	March 31, 2017	April 1, 2016
In Partnership Firms				
Fixed Capital				
Orchid Lakeview Developers	33.33%	1.00	1.00	1.00
White Mountain	25.00%	0.25	0.25	0.25
Shree Balaji Associates	5.00%	0.25	0.25	0.25
Goyal Hariyana Realty	50.00%	0.50	0.50	0.50
Hariyana Developers	51.00%	-	-	2.55
Hariyana Air Product	95.00%	-	-	45.00
Goyal Hariyana Construction (*orchid woods project)	50.00%	-	-	100.00
Current A/c				
Whitefield Projects	40.00%	4.20	4.20	4.20
Swastik Developers	33.33%	538.39	480.70	429.20
Orchid Lakeview Developers	33.33%	1,617.99	2,890.95	1,637.09
Goyal Hariyana Construction	50.00%	-	466.76	2,824.98
White Mountain	25.00%	2,364.36	1,230.48	2,266.75
Goyal Hariyana Realty	50.00%	4,606.36	1,059.05	936.64
Shree Balaji Associates	5.00%	1,301.96	601.15	-3,695.32
Hariyana Air Product	95.00%	191.58	212.19	73.72
Hariyana Developers	51.00%	-	-	1439.42
Total		10,626.84	6,947.47	6,066.22

** The partnership deed of M/s. Hariyana Air Product has been re-consituted w.e.f. 08.07.2016. With the re-constitution, share in profit/(loss) of the company has been increased to 95% from 60%.*

Note No:- 11 Other Non-Current Asset

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
A Security Deposits	6.71	6.70	1.70
(A)	6.71	6.70	1.70
B Other Loans and Advances			
- Balance with statutory/government authorities	82.93	73.62	70.36
(B)	82.93	73.62	70.36
Total(A+B)	**89.64**	**80.32**	**72.06**

Note No:- 12 Inventories

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
(As verified, valued and certified by management)			
A RAW MATERIALS & COMPONENTS			
UNCUT SHIP	12,113.06	891.26	-
SPONGE IRON	-	-	53.99
	12,113.06	891.26	53.99
B STOCK- IN -TRADE	14,859.03	971.45	307.57
C FINISHED GOODS	**-**	**-**	**-**
Total	**26,972.10**	**1,862.70**	**362.93**

Notes :

Inventories of Raw Materials - Ships are stated at Cost values. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formulas used are First -in -First -out. Inventories of Finished Goods/ Traded Goods are stated at lower of cost or net realizable value.

In ship recycling units, the weight of the ship purchased is accounted in terms of LDT/MT of the ship at the time of its construction. Ascertaining of weight of ship at the time of purchase is not possible due to its nature and size. There is loss of weight on account of corrosion and other factors during the usage of the ship and its voyage for long period of the years. Inventory at the close of the year is ascertained by reducing the weight of the scrap sold together with the estimated wastage of the material.

Consumable stores and spares are written off at the time of purchase itself.

Note No:- 13 Current Financial Assets - Trade Receivables

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Trade Receivable - Unsecured			
Considered Good	16.89	2,249.33	3,466.72
Considered Doubtful	0.87	3.17	4.38
	17.76	2,252.50	3,471.09
Less : Allowance for doubtful debts	0.87	3.17	4.38
Total	**16.89**	**2,249.33**	**3,466.72**
Age analysis of trade receivables			
Outstanding for more than six months from the date they are due	0.34	2,231.48	3,449.17
Others	16.55	17.85	17.55
	16.89	2,249.33	3,466.72

Notes:

1. Summary of movement in allowance for doubtful trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	**3.17**	**4.38**
Movement during the year	-2.30	1.20
Less : Write off of bad debts	-	-
Balance at the end of the year	**0.87**	**3.17**

2. The trade receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

Note No:- 14 Cash and Cash Equivalents

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in Hand *(As verified and certified by management)*	25.59	32.39	13.93
Balances with scheduled banks	-	-	-
- In current accounts	7.26	11.58	94.67
- In deposit accounts	4,426.45	-	-
Total	**4,459.30**	**43.97**	**108.60**

Notes :

The details of balances as on balance sheet dates with banks are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
In Bank Accounts:			
Balances with scheduled banks	-	7.24	21.26
- Punjab National Bank - CC 1040	0.17	0.74	0.51
- Punjab National Bank - CC2793	4.00	0.37	0.22
- Punjab National Bank - CC 600	-	2.51	-
- Punjab National Bank - Bhavnagar Branch (52134)	0.25	0.52	1.56
- Punjab National Bank - CA (53009)	0.25	-	-
- State Bank of India	-	0.20	1.18
- Punjab National Bank CC - 2809(Mumbai)	2.59	-	-
- Punjab National Bank Term Deposit	4,426.45	-	-
- Punjab National Bank (Mumbai) OD 376097	-	-	69.94
Total	**4,433.70**	**11.58**	**94.67**

** Term deposit of Rs. 44 Crores including accrued interest of Rs.26.45 Lakhs thereon is lien marked with Punjab National Bank against letter of credit of Rs.122 Crores issued by Punjab National Bank in favour of trade payables.*

Note No:- 15 Current Financial Assets - Loans

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, Considered good)			
Advance against proposed business venture	1,985.57	9,519.70	11,770.70
Total	**1,985.57**	**9,519.70**	**11,770.70**

Note No:- 16 Other Current Financial Assets

Particulars	March 31, 2018	As at March 31, 2017	April 1, 2016
(Unsecured, considered good)			
Advances recoverable in cash or kind	28.97	116.96	177.95
Total	**28.97**	**116.96**	**177.95**

Note No:- 17 Other Current Assets

Particulars	March 31, 2018	As at March 31, 2017	April 1, 2016
(Unsecured, considered good)			
Security Deposits	2.67	2.67	2.67
Other Deposits	-	-	1.91
Prepaid Expenses	3.65	1.04	0.85
Staff Advances	5.68	5.35	5.45
Advance to Suppliers	23.77	0.64	-
Margin Money given	2.45	2.83	-
Balance with statutory/government authorities	1,691.81	235.62	45.11
Total	**1,730.03**	**248.14**	**56.00**

Note No:- 18 Equity Share Capital

Particulars	March 31, 2018	As at March 31, 2017	April 1, 2016
AUTHORISED CAPITAL:			
Equity Shares of Rs. 10/- each	650.00	650.00	650.00
4% Redeemable Preference Share of Rs. 10/- each	500.00	500.00	500.00
ISSUED SHARES CAPITAL			
Equity Shares of Rs. 10/- each	616.67	616.67	616.67
SUBSCRIBED & PAID UP CAPITAL			
Equity Shares of Rs. 10/- each fully paid up	616.67	616.67	616.67
Total	**616.67**	**616.67**	**616.67**

Notes :

a) The reconciliation of the number of outstanding shares is set out below :

Particulars	March 31, 2018		March 31, 2017		April 1, 2016	
	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	6,166,667	616.67	6,166,667	616.67	6,166,667	616.67
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**6,166,667**	**616.67**	**6,166,667**	**616.67**	**6,166,667**	**616.67**

b) The details of shareholder holding more than 5% shares is set out below:

NAME OF SHAREHOLDERS	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Rakesh Reniwal	858,230	13.92%	858,230	13.92%	858,230	13.92%
2 Lalitadevi Reniwal	414,800	6.73%	414,800	6.73%	414,800	6.73%
3 Sanjeev Reniwal	438,267	7.11%	438,267	7.11%	438,267	7.11%
4 Shantisarup Reniwal HUF	625,178	10.14%	625,178	10.14%	625,178	10.14%
5 Rajeev Reniwal	1,539,009	24.96%	1,539,009	24.96%	1,539,009	24.96%
6 Unnati Reniwal	400,000	6.49%	400,000	6.49%	400,000	6.49%

As per records of the company, including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

c) Terms/rights attached to equity shares :

- The company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.
- During the period ended 31st March 2018, the amount of per share dividend recognized as distributions to equity shareholder was NIL per share (PY Nil)
- Preference shareholder do not have any voting right. They are entitled to dividend @ 4% before equity shareholders.
- In the event of liquidation of the company, the holders of the Equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

Note 19 : Other equity

Refer to the statement of changes in equity for movement in Other equity.

<u>Nature and purpose of reserves</u>

Capital Redemption Reserve

The Company has recognised Capital Redemption Reserve, on buyback or redemption of its own equity/ preference shares, from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the shares bought back.

Security premium

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium Reserve.

Capital Reserve

The Company has recognised Capital Reserve, on amalgamation of Hariyana Fashions Private Limited and Hariyana Machinery Export Private Limited with the Company during the F.Y. 2005-06.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note No:- 20 Borrowings Non - Current

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
UNSECURED			
- From Directors and Shareholders	-	697.62	645.35
Total	**-**	**697.62**	**645.35**

Note No:- 21 Non - Current Provisions

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Provision for Gratuity	3.45	2.23	-
(Refer to Note - 36 for detailed disclosure)			
Total	**3.45**	**2.23**	**-**

Note No:- 22 Other Non Current Liabilities

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Other Payables			
Advance from Customers	-	3.50	-
Security Deposit From Tenants	13.40	13.40	13.40
Total	**13.40**	**16.90**	**13.40**

Note No:- 23 Current Financial Liabilities - Borrowings

Particulars			As at	
		March 31, 2018	March 31, 2017	April 1, 2016
Secured Borrowings				
I	**Loan from banks (includes CC, OD etc.)**	343.41	154.87	30.13
	Total	**343.41**	**154.87**	**30.13**

Notes:

1. Details of the secured short-term borrowings:

Particulars			As at	
		March 31, 2018	March 31, 2017	April 1, 2016
Working Capital Loan from banks:				
a	Punjab National Bank OD-376097	331.78	154.87	-
b	Punjab National Bank CC- 600	-	-	30.13
c	Punjab National Bank OD (52724)	11.63	-	-
		343.41	154.87	30.13

2. Details of Security:

a. Cash Credit facility from Punjab National Bank is secured by way of hypothecation of Stocks & book debts of the company as primary security and equitable mortgage of immovable property of the company & associated concern as collateral security.

b. Bank overdraft facility from Punjab National Bank is secured by way of equitable mortgage of immovable property of the company & associated concern as collateral security & personal guarantee of the associated concern & relatives of the key management personnels.

Note No:- 24 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
- For Goods	30,703.64	9,030.90	13,258.79
- For Expenses	78.98	17.99	338.90
Total	**30,782.62**	**9,048.89**	**13,597.69**

Notes:

1. Trade payables are recognized at their original invoiced amounts which represent their fair value on initial recognition. The trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

2. The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note No:- 25 Other Current Financial Liabilities

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
Payable to Employees	8.82	11.52	0.11
Other Payables	25.51	2.52	2.99
Total	**34.33**	**14.04**	**3.09**

Note No:- 26 Other Current Liabilities

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
Statutory Dues	8.16	148.72	10.04
Advance from Customers	2,874.88	33.41	-
Advance received against proposed joint venture	121.33	-	-
Margin Money	119.00	266.00	153.95
Total	**3,123.37**	**448.13**	**163.99**

Note 27 : Income taxes

1 Components of Income tax expense

The major component of Income tax expense for the year ended on March 31, 2018 and March 31, 2017 are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statement of Profit and Loss		
Current Tax		
Current income tax	51.67	107.71
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Deferred tax expense	-7.82	-173.27
	43.84	**-65.56**
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	0.19	-
	0.19	**-**
Income tax expense as per the statement of profit and loss	**44.03**	**-65.56**

2 Reconciliation of effective tax

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	**1,024.81**	**871.19**
Tax @ 34.608% (PY: 33.063%)	**354.67**	**288.04**
Adjustments for:		
Expenses not allowed as deduction	27.38	1.33
Deferred tax rate being different from current tax	-1.50	-0.70
Profit / (Loss) covered under higher and lower tax rate	-3.78	-3.58
Income on which tax not required to be paid	-337.79	-359.13
Other Adjustment	4.88	8.47
Tax expense / (benefit)	**43.84**	**-65.56**
Effective Tax Rate	**4.28%**	**-7.53%**

3 Movement in Deferred Tax Assets and Liabilities

For the year ended on March 31, 2017

Particulars	As at April 1, 2016	Credit/(change) in the Statement of Profit and Loss	Credit/(change) in Other Comprehensive Income	As at March 31, 2017
Deferred Tax Liabilities				
Property, Plant and Equipment	240.30	-171.32	-	68.98
Fair Value of financial instrument	1.63	-1.63	-	-
	-	-	-	-
Deferred Tax Assets				
Allowance for Doubtful Debts	1.35	0.37	-	-0.98
Retirement Benefit Plans	-	-0.69	-	-0.69
	240.58	**-173.27**	**-**	**67.31**

For the year ended on March 31, 2018

Particulars	As at March 31, 2017	Credit/(change) in the Statement of Profit and Loss	Credit/(change) in Other Comprehensive Income	As at March 31, 2018
Deferred Tax Liabilities				
Property, Plant and Equipment	68.98	-8.25	-	60.73
Fair Value of financial instrument	-	0.20	-	0.20
Deferred Tax Assets				
Allowance for Doubtful Debt	-0.98	0.73	-	-0.25
Retirement Benefit Plans	-0.69	-0.13	-0.19	-1.00
	67.31	**-7.45**	**-0.19**	**59.67**

4 Current tax assets and liabilities

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
Current			
Current tax assets	-	-	-
Current tax liabilities	41.94	6.64	-

Note No:- 28 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
SALES OF MANUFACTURED GOODS	5,774.12	9,545.47
SALES OF TRADED GOODS	9,942.89	19,045.84
Total	**15,717.02**	**28,591.32**

Note No:- 29 OTHER INCOME

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
FOREIGN CURRENCY TRANSACTION VARIATION	-	219.83
RENT RECEIVED	36.43	36.06
PROFIT/(LOSS) FROM PARTNERSHIP FIRMS	976.05	1,086.21
PROFIT ON SALE OF MUTUAL FUNDS	224.45	111.53
GAIN/(LOSS) ON FAIR VALUE CHANGES OF INVESTMENTS CLASSIFIED AS FVTPL	0.69	-5.27
INTEREST INCOME :		
FROM CUSTOMER	2.40	765.81
FROM OTHER PARTIES	790.58	977.64
FROM PARTNERSHIP FIRMS	16.01	19.58
FROM BANK	40.96	-
OTHER INCOME		
AMOUNT WRITTEN OFF AS NO LONGER PAYABLE	-	91.21
MISC. INCOME	0.03	25.40
Total	**2,087.60**	**3,328.00**

Note No:- 30 COST OF CONSUMPTION OF RAW MATERIALS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
INVENTORY AT THE BEIGINNING OF THE YEAR	891.26	53.99
ADD: PURCHASE OF RAW MATERIAL	16,582.15	10,149.09
	-	-
	17,473.41	10,203.08
LESS: INVENTORY AT THE END OF THE YEAR	12,113.06	891.26
COST OF CONSUMPTION OF RAW MATERIALS	**5,360.34**	**9,311.82**

Note No:- 31 PURCHASE OF STOCK - IN - TRADE

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
PURCHASES	23,404.46	19,355.35
Total	**23,404.46**	**19,355.35**

Note No:- 32 CHANGES IN INVENTORIES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
INVENTORY AT THE BEIGINNING OF THE YEAR	971.45	308.94
(A)	971.45	308.94
INVENTORY AT THE END OF THE YEAR	14,859.03	971.45
(B)	14,859.03	971.45
INCREASE/(DECREASE) IN FINISHED STOCK	**-13,887.59**	**-662.50**

Note No:- 33 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
SALARIES & WAGES	144.12	100.52
DIRECTORS' SALARY	3.15	-
CONTRIBUTION TO PROVIDENT FUND	11.19	6.55
CONTRIBUTION TO E.S.I.C.	6.07	3.48
GRATUITY EXPENSE	1.87	2.23
BONUS	10.50	13.95
STAFF WELFARE EXPENSES	1.89	1.56
Total	**178.79**	**128.29**

Note No:- 34 FINANCE COSTS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
BANK COMMISSION & CHARGES	61.01	73.37
LC DISCOUNTING CHARGES	104.56	239.98
INTEREST EXPENSES:	-	-
TO BANK	3.01	17.43
LC USANCE INTEREST	134.71	80.99
PAID TO OTHER PARTIES	86.30	370.89
DELAYED PAYMENT OF STATUTORY DUES	1.16	4.03
Total	**390.75**	**786.69**

Note No:- 35 OTHER EXPENSES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
CONSUMPTION OF STORE & SPARE PARTS	16.30	14.71
ENVIRONMENT PROTECTION CHARGES	1.67	1.16
GASES EXPENSES	86.54	147.74
OTHER MANUFACTURING & OPERATING EXPENSES	0.15	0.96
PLOT RENT & PLOT DEVELOPMENT CHARGES	25.18	25.79
POWER & FUEL	5.33	6.14
LOADING/ UNLOADING EXPENSES	-	0.21
REPAIRS & MAINTENANCES	2.63	2.14
ADVERTISEMENTS	0.46	0.40
ACCOUNTING CHARGES	3.90	2.07
SUNDRY BALANCES WRITTEN OFF	643.34	29.91
COMPUTER CHARGES	0.51	0.35
CLEARING & FORWARDING CHARGES	-	69.50
CSR EXPENDITURE	19.00	-
DONATION	0.77	1.34
ELECTRIC EXPESNSES	0.89	1.58
FEES & SUBSCRIPTION	8.03	0.55
FOREIGN CURRENCY TRANSACTION VARIATION	189.89	93.94
GENERAL EXPENSES	2.04	2.86
INSURANCE	3.14	0.47
LEGAL & PROFESSIONAL EXPENSES	48.07	22.29
LOADING/ UNLOADING EXPENSES	-	1.86
ALLOWANCE/(WRITE BACK) FOR DOUBTFUL DEBTS	-2.30	-1.20
LISTING EXPENSES	3.57	2.98
PAYMENT TO AUDITORS	1.92	2.18
PENALTY & INTEREST CHARGES	0.05	-
POSTAGE & COURIER	0.82	0.43
PRINTING & STATIONERY	0.85	1.40
PROFESSIONAL TAX	0.02	0.02
RATE & TAXES	2.51	4.60
RENT	5.00	21.59
SECURITY EXPENSES	1.04	0.35
SERVICE TAX EXPENSES	1.35	6.63
SHORTAGE OF GOODS	-	2.59
SUPERVISION CHARGES	6.00	-
SOCIETY MAINTENANCE	2.13	2.91
TELEPHONE EXPENSES	1.88	1.07
TRAVELLING EXPENSES	11.56	5.66
WAREHOUSING CHARGES	41.00	1.37
VEHICLE & CONVEYANCE EXPENSES	8.66	5.61
BROKERAGE & COMMISSION	41.21	31.31
FREIGHT OUTWARD	-	0.71
SALES TAX	0.08	1.65
Total	**1,185.21**	**517.82**

Note 36 : Employee benefits

A. Defined Contribution plans:

The Company deposits amount of contribution to government under PF and other schemes operated by government.

Amount of Rs. 178.79 lakhs (P.Y. : Rs. 128.29 lakhs) is recognised as expenses and included in Note 27 "Employee benefit expense"

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Provident fund	11.19	6.55
ESIC	6.07	3.48
	17.26	**10.03**

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

March 31, 2018 : Changes in defined benefit obligation and plan assets

Particulars	As at March 31, 2018		As at March 31, 2017	
Gratuity - Defined benefit obligation				
Opening Balance		2.23		-
Gratuity cost charged to statement of profit and loss				
Current Service cost	1.70		0.98	
Past Service cost			1.25	
Net interest expense	0.17		-	
Transfer in / (out) obligation			-	
Sub-total included in statement of profit and loss		1.87		2.23
Benefit paid				
Remeasurement gains/(losses) in other comprehensive income				
Return on plan assets (excluding amounts included in net interest expense)			-	
Actuarial changes arising from changes in demographic assumptions			-	
Actuarial changes arising from changes in financial assumptions	-0.09		-	
Experience adjustments	-0.56		-	
Sub-total included in OCI		-0.65		-
Defined benefit obligation		3.45		2.23
Fair value of plan assets		-		-
Total benefit liability		**3.45**		**2.23**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.80%	7.50%
Future salary increase	7-10%	7-10%
Attrition rate	1-3%	1-3%
Mortality rate during employment	100%	100%

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	(Increase) / decrease in defined benefit obligation (Impact)	
		For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity			
Discount rate	1% increase	-0.50	-0.29
	1% decrease	0.63	0.36
Salary increase	1% increase	0.62	0.35
	1% decrease	-0.50	-0.29
Attrition rate	50% increase	-0.02	-0.01
	50% decrease	0.01	0.01

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	0.46	0.03
Between 2 and 5 years	0.29	0.55
Beyond 5 years	16.55	8.40
Total expected payments	**17.30**	**8.98**

Weighted average duration (years) of defined plan obligation (based on discounted cash flows)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity	17 Years	15 Years

C. Other Long term employee benefit plans

Leave encashment

Salaries, Wages and Bonus include Rs.194.31 Lacs (P.Y.: Rs.71.63 Lacs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 37: Related Party transactions

Related party disclosures, as required by Ind AS 24, ” Related Party Disclosures”, are given below.

(A) Particulars of related parties and nature of relationships

Name of the related parties

A. Companies over which Key Management Personnel and their relatives are able to exercise significant influence

1. Orchid Lakeview Developers
2. Swastik Developers
3. White Mountain
4. Whitefield Projects
5. Goyal and Company (Construction) Pvt. Ltd.
6. Goyal Hariyana Realty
7. Shree Balaji Associates
8. Goyal Hariyana Construction

B. Key Management Personnel

Managing Director

1. Rakesh Reniwal

Executive directors

2. Shantisarup Reniwal
3. Unnati Reniwal

Company Secretary

4. Swati Chauhan

C. Relatives of Key Management Personnel

1. Sandeep Agarwal
2. Shivshankar Agarwal
3. Tanmay Agarwal

(B) Related party transactions and balances

The details of material transactions and balances with related parties (including those pertaining to discontinued operations) are given below:

a) Transactions during the year	For the year ended March 31, 2018	For the year ended March 31, 2017
Sales and other operating income		
(i) Sales		
Hariyana Air Product	596.33	-
	596.33	-
(ii) Other operating income / Other income		
Interest Income		
White Mountain	263.04	225.63
Orchid Lakeview Developers	148.11	199.34
Swastik Developers	57.68	51.50
Goyal Hariyana Realty	303.10	112.33
Goyal Hariyana Construction	18.65	176.38
Hariyana Air Products	16.01	19.58
	806.59	784.77
Share of Profit/ (Loss) from the firms		
Orchid Lakeview Developers	523.93	435.28
Shree Balaji Associates	-8.59	1.50
Goyal Hariyana Construction	-	406.51
Goyal Hariyana Realty	154.21	10.08
White Mountain	190.84	163.10
Hariyana Air Products	115.66	-9.75
	976.05	1,006.72
Purchases		
Oxygen Gas Purchases		
Hariyana Air Products	1.15	43.58
	1.15	43.58
Interest paid		
Shree Balaji & Associates	27.33	312.81
Tanmay Trilokchand Agarwal	5.48	19.36
Shivshankar Agarwal	5.16	19.36
Sandeep Agarwal	5.10	19.36
	43.07	370.89
Remuneration Paid		
Swati Chauhan	4.40	4.40
Rakesh Reniwal	3.15	-
	7.55	4.40

** Leave encashment and gratuity benefits which is based on actuarial valuation on an overall company basis is not included in the above.*

Transactions during the year	For the year ended March 31, 2018	For the year ended March 31, 2017
Advances granted during the period		
Goyal and Company (Construction) Pvt. Ltd.	125.00	-
	125.00	-
Advances repaid during the period		
Goyal and Company (Construction) Pvt. Ltd.	3.67	-
Tanmay Trilokchand Agarwal	237.13	-
Shivshankar Agarwal	237.19	-
Sandeep Agarwal	237.13	-
	715.12	-
Investment in Partnership Firms		
Capital Introduced		
Orchid Lakeview Developers	80.00	800.00
Shree Balaji Associates	30,905.23	43,182.00
Goyal Hariyana Construction	-	30.00
White Mountain	1,180.00	-
Goyal Hariyana Realty	3,170.00	200.00
Hariyana Air Products	130.32	108.64
	35,465.56	44,320.64
Capital Withdrawan		
Orchid Lakeview Developers	2,025.00	200.00
Shree Balaji Associates	30,168.50	38,605.50
Goyal Hariyana Construction	485.40	3,131.36
Hariyana Developers	-	1,441.97
Goyal Hariyana Realty	80.00	200.00
White Mountain	500.00	1,425.00
Hariyana Air Products	282.60	25.00
	33,541.50	45,028.83

b) Balances at the end of the year		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Advances granted			
Goyal and Company (Construction) Pvt. Ltd.	121.33	-	-
Tanmay Trilokchand Agarwal	-	232.54	-
Shivshankar Agarwal	-	232.54	-
Sandeep Agarwal	-	232.54	-
	121.33	697.62	-

Balances at the end of the year	As at March 31, 2018	March 31, 2017	April 1, 2016
Investments Balance at the end of the period			
- In Fixed Capital			
Orchid Lakeview Developers	1.00	1.00	1.00
White Mountain	0.25	0.25	0.25
Shree Balaji Associates	0.25	0.25	0.25
Goyal Hariyana Construction	-	-	100.00
Hariyana Developers	-	-	2.55
Goyal Hariyana Realty	0.50	0.50	0.50
Hariyan Air Products	-	-	45.00
- In Current Capital			
Whitefield Projects	4.20	4.20	4.20
Swastik Developers	538.39	480.70	429.20
Orchid Lakeview Developers	1,617.99	2,890.95	1,637.09
Goyal Hariyana Construction	-	466.76	2,824.98
White Mountain	2,364.36	1,230.48	2,266.75
Hariyana Developers	-	-	1,439.42
Goyal Hariyana Realty	4,606.36	1,059.05	936.64
Shree Balaji Associates	1,301.96	601.15	-3,695.32
Hariyan Air Products	191.58	212.19	73.72
	10,626.84	6,947.47	6,066.22

Note 38 : Financial assets and liabilities

Financial assets by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in												
-Mutual fund - Quoted		80.69								1,637.83		
- Equity shares - Quoted		0.0023				0.0027				0.0030		
- Equity shares-Unquoted	0.0001				0.0001				0.0001			
- Partnership Firms	10,626.84				6,947.47				6,066.22			
Trade receivables				16.89				2,249.33				3,466.72
Loans				1,985.57				9,519.70				11,770.70
Cash & cash equivalent (including other bank balances)				4,459.30				43.97				108.60
Other financial assets				28.97				116.96				177.95
Total Financial assets	**10,626.84**	**80.69**	**-**	**6,490.72**	**6,947.47**	**0.0027**	**-**	**11,929.95**	**6,066.22**	**1,637.83**	**-**	**15,523.96**

Financial liabilities by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings				343.41				852.49				675.48
Trade payables				30,782.62				9,048.89				13,597.69
Other financial liabilities												
- Other financial liabilities				34.33				14.04				3.09
Total Financial Liabilities	**-**	**-**	**-**	**31,160.36**	**-**	**-**	**-**	**9,915.42**	**-**	**-**	**-**	**14,276.26**

Note 39 : Fair value Hierarchy

Disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	80.69	-	-	80.69
Equity shares-Quoted	0.0023	-	-	0.0023
Assets disclosed at fair value				
Investment properties	-	-	257.02	257.02

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017 (Valuation date - March 31, 2017)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	-	-	-	-
Equity shares - Quoted	0.0027	-	-	0.0027
Assets disclosed at fair value				
Investment properties	-	-	270.46	270.46

Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016 (Valuation date - April 1, 2016)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	1,637.83	-	-	1,637.83
Equity shares - Quoted	0.00	-	-	0.00
Assets disclosed at fair value				
Investment properties	-	-	277.64	277.64

Quantitative disclosures fair value measurement hierarchy for liabilities

Company does not have any financial liability which is measured either at Fair value through profit and loss account or measured at Fair value through other comprehensive income.

Note 40 : Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that 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. It is the Company's policy that no trading in fianancial instruments for speculative purposes may be undertaken.

1. 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: interest rate risk, currency risk and other price risk, such as equity price risk or Net assset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Increase/(decrease) in profit before tax
March 31, 2018		
Rupee borrowings	+50	-0.87
	-50	0.87
March 31, 2017		
Rupee borrowings	+50	-3.23
	-50	3.23

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount As at			Reporting Currency Amount (Rupees) As at		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Accounts Payable						
USD	47.25	8.94	19.68	30,703.64	5,834.07	13,167.51

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in EUR and USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2018	5%	-1,535.18
	-5%	1,535.18
March 31, 2017	5%	-291.70
	-5%	291.70

Other market risks

The Company's investments in varous mutual funds, debentures and bonds are susceptible to market price risk arising from the uncertainity about future values / future NAV values of such mutual funds, debentures, bonds and preference shares. The Company manages such risk through diversification of such investments. Reports on the the investment portfolio are submitted to the Company's senior management on a regular basis that helps the senior management to take investment decisions.

Sensitivity impact

Particulars	Change in NSE/BSE index	Effect on profit before tax
As at March 31, 2018		
Investment in mutual funds	10%	8.07
	-10%	-8.07
As at March 31, 2017		
Investment in mutual funds	10%	-
	-10%	-

2 *Credit Risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on market feedback and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in independent markets.

Trade receivables are non-interest bearing and are generally on 14 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

3 ***Liquidity Risk***

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended March 31, 2018						
Borrowings (including current maturities of long-term borrowings)	-	343.41	-	-	-	343.41
Trade & other payables	-	78.98	30,703.64	-	-	30,782.62
Other financial liabilities	-	34.33	-	-	-	34.33
	-	-	-	-	-	-
March 31, 2017	-	-	-	-	-	-
Borrowings (including current maturities of long-term borrowings)	-	154.87	-	697.62	-	852.49
Trade & other payables	-	17.99	9,030.90	-	-	9,048.89
Other financial liabilities	-	14.04	-	-	-	14.04
	-	-	-	-	-	-
April 1, 2016	-	-	-	-	-	-
Borrowings (including current maturities of long-term borrowings)	-	30.13	-	645.35	-	675.48
Trade & other payables	-	115.57	13,482.12	-	-	13,597.69
Other financial liabilities	-	3.09	-	-	-	3.09

Note 41 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
Interest-bearing loans and borrowings (Note 17 & 21)	343.41	852.49	675.48
Trade Payables (Note 22)	30,782.62	9,048.89	13,597.69
Less: cash and cash equivalent (Note 11)	4,459.30	43.97	108.60
Net debt	**26,666.73**	**9,857.41**	**14,164.57**
Equity share capital (Note 15)	616.67	616.67	616.67
Other equity (Note 16)	11,840.99	10,859.57	9,922.81
Total capital	**12,457.66**	**11,476.23**	**10,539.48**
Capital and net debt	**39,124.39**	**21,333.65**	**24,704.05**
Gearing ratio (%)	***68%***	***46%***	***57%***

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 1, 2016.

Note 42 : Segment information

The Company has presented segment information in the consolidated financial statements which are presented in this same annual report. Accordingly, in terms of Ind AS 108 'Operating segments', no disclosures relating to segments are presented in these standalone financial statements.

Note 43 : Contingent Liabilities

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
To the extent not acknowledged as debts :			
a. Disputed demand under :			
(i) Income tax	200.58	200.58	102.04
(ii) Sales tax	-	-	-
(iii) Excise duty	-	-	-

Notes:

1. The company do not anticipate any liability on account of counter guarantees given to bank for various loan facility availed by associated concerns.

2. The company does not anticipate any liability except above on account of pending income tax and sales tax assessments.

Note 44 : Leases

The Company has entered into agreements for taking on leave and license basis residential/office premises including furniture and fittings therein, as applicable, for a period ranging from 11 to 60 months. The specified disclosure in respect of these agreements is given below:

Particulars	As at	
	March 31, 2018	March 31, 2017
Lease payments recognized in the statement of profit and loss	0.12	0.12

Note 45 : Earnings per Share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic & Diluted EPS		
Computation of Profit (Numerator)		
(i) Profit/(loss) from continuing operations	981.42	936.75
Weighted Average Number of Shares (Denominator)		
Weighted average number of Equity shares of Rs.10 each used for calculation of basic and diluted earnings per share	6,166,667	6,166,667
Basic & Diluted EPS (in Rupees)		
(i) Continuing operations	15.91	15.19

Note 46 : Expenditure for corporate social responsibility activities

During the year ended March 31, 2018, the company has spent Rs. 19 Lakhs towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and Rules thereon by way of contribution to various Trusts / NGOs / Societies / Agencies.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Amount Required to be spent by the company	18.73	25.17
Amount spent during the year on :		
(a) Construction / Acquisition of any asset		
(b) On Purpose other than (a) above	19.00	-
(c) Not Utilized amount	-	25.17

Notes:

1. Above includes a contribution of Rs.10.00 Lakhs (2016-17: Rs. Nil) to Sau Mathurabai Bhausaheb Thorat Sevabhavi is registered trust under section 80G(5)(vi) of the Income Tax Act, 1961 for running charitable hospital in the Taluka of Igatpuri in Nashik District and Rs.9.00 Lakhs to Priyadarshani Foundation is registered trust under section 80G(5)(vi) of the Income Tax Act, 1961 for quality education to tribal children in the taluka of Igatpuri in Nashik District.

2. The Company does not carry any provisions for Corporate Social Responsibility expenses for current year and previous year.

Note 47 : Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note 48 :Payment to Auditors

Details of payment to Auditors are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fees and tax audit fees	1.74	2.01
Certification and other services	0.18	0.17
Total	**1.92**	**2.18**

Note 49 : Other Notes

i) The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the standalone financial statements of the Company prepared in accordance with previous GAAP.

As per our report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**Hariyana Ship Breakers Limited**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Prem Goplani	**Shantisarup Reniwal**	Rakesh Reniwal	Swati Chauhan
Partner	Director	Director	Company Secretary
M. No. 103705	DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Consolidated Balance Sheet as at March 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
I. Non-Current Assets				
(A) Property, Plant And Equipment	7	818.65	802.20	1,481.74
(B) Capital Work - in - Progress	8	-	11.36	-
(C) Investment Property	9	257.02	270.46	277.64
(D) Other Intangible Assets	10	0.70	0.00	0.22
(E) Financial Assets				
(i) Investments	11	10,532.65	6,755.15	7,594.06
(ii) Other Fiancial Assets	12	97.62	100.41	10.58
(F) Other Non Current Asset	13	89.64	80.32	72.06
		11,796.29	**8,019.91**	**9,436.29**
Current Assets				
(A) Inventories	14	26,972.10	1,862.70	362.93
(B) Financial Assets				
(i) Trade Receivable	15	16.89	2,249.95	3,466.88
(ii) Cash And Cash Equivalents	16	4,463.73	57.43	111.60
(iii) Loans	17	1,985.57	9,519.70	11,770.70
(iv) Other Financial Assets	18	38.53	118.26	177.95
(C) Other Current Assets	19	1,730.03	248.15	56.18
		35,206.84	**14,056.20**	**15,946.23**
Total Assets		**47,003.13**	**22,076.11**	**25,382.52**
EQUITY AND LIABILITIES				
Equity				
(A) Equity Share Capital	20	616.67	616.67	616.67
(B) Other Equity	21	11,938.44	10,961.61	10,018.63
Equity attributable to owners of the Company		**12,555.11**	**11,578.28**	**10,635.30**
Non-controlling interest		10.95	4.89	-46.92
Total equity		**12,566.06**	**11,583.17**	**10,588.38**
Non-Current Liabilities				
(A) Financial Liabilities				
(i) Borrowings	22	-	697.62	645.35
(B) Provisions	23	3.45	2.23	-
(C) Deferred Tax Liabilities (Net)	29	92.40	102.72	278.24
(D) Other Non Current Liabilities	24	13.40	16.90	13.40
		109.25	**819.47**	**936.99**
Current Liabilities				
(A) Financial Liabilities				
(i) Borrowings	25	343.41	154.87	92.20
(ii) Trade Payables	26	30,782.62	9,048.89	13,597.69
(iii) Other Financial Liabilities	27	34.33	14.04	3.24
(B) Other Current Liabilities	28	3,125.52	449.04	164.03
(C) Current Tax Liabilities (Net)	29	41.94	6.64	-
		34,327.82	**9,673.47**	**13,857.15**
Total Equity and Liabilities		**47,003.13**	**22,076.11**	**25,382.52**

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

As per our report of even date

For P. D. Goplani & Associates	For and on behalf of the Board		
Chartered Accountants	**Hariyana Ship Breakers Limited**		
(Firm Reg. No. 118023W)			
Sd/-	Sd/-	Sd/-	Sd/-
CA Prem Goplani	**Shantisarup Reniwal**	**Rakesh Reniwal**	**Swati Chauhan**
Partner	Director	Director	Company Secretary
M. No. 103705	DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(Rs. in Lakhs)

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations			
Sale of Products	30	16,803.45	28,640.68
Other Operating Income		-	-
Revenue from operations		**16,803.45**	**28,640.68**
Other Income	31	1,094.27	2,233.17
Total Revenue [I]		**17,897.72**	**30,873.85**
Expenses			
Cost of raw materials and components consumed	32	5,360.34	9,311.82
Purchase of Stock-in-trade	33	24,221.09	19,355.35
Changes in the inventories of Finished Goods, Stock In Trade and Work - In Progress	34	-13,887.59	-662.50
Employee benefits expense	35	198.07	141.63
Excise Duty		102.52	1,046.52
Finance costs	36	390.84	790.84
Depreciation and amortisation expense	7,9,10	61.48	223.03
Other Expenses	37	1,293.25	536.57
Total expenses [II]		**17,740.00**	**30,743.26**
Profit before Exceptional Items and Tax [III=I-II]		**157.72**	**130.59**
Exceptional Items [IV]		-	361.80
Profit before tax [V=III-IV]		**157.72**	**-231.21**
Tax Expenses :			
(1) Current Tax	29	51.67	107.71
(2) Deferred Tax		-10.51	-175.52
Total tax expense [VI]		**41.16**	**-67.81**
Profit/(loss) after tax but before share of profit/ (loss) from associates [VII]		865.82	1,105.60
Profit for the year [A=V-VI+VII]		**982.38**	**942.20**
Other comprehensive income			
i. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		**-**	**-**
ii. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
- Re-measurement gains / (losses) on defined benefit plans		0.65	-
- Income tax effect		-0.19	-
		0.46	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (ii)		0.96	-
Total other comprehensive income for the year, net of tax [B=i+ii]		0.46	-
Total comprehensive income for the year, net of tax [A+B]		**982.84**	**942.20**
Total Comprehensive Income for the period attributable to :			
- Owners of the Company		976.83	942.97
- Non Controlling Interest		6.01	-0.77
Earning per equity share [nominal value per share Rs.10/-]			
Basic		0.00	0.00
Diluted		0.00	0.00

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Prem Goplani
Partner
M. No. 103705

For and on behalf of the Board
Hariyana Ship Breakers Limited

Sd/-	Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**	**Swati Chauhan**
Director	Director	Company Secretary
DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Consolidated statement of Cash flow for the year ended on March 31, 2018

(Rs. in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities		
1. Profit before tax	1,018.18	875.16
Loss from continuing operations	-	-
Profit from discontinued operations	-	-
	1,018.18	**875.16**
2. Adjustment for :		
Depreciation and amortisation expense	61.48	223.03
Finance cost	390.84	790.84
Interest income	-834.33	-1,744.15
Provision for doubtful debts	-2.30	-1.20
Operating profit before working capital changes (1+2)	**633.87**	**143.68**
3. Adjustments for working capital changes:		
Decrease / (Increase) in Trade and other receivables	826.69	987.74
Decrease / (Increase) in Inventories	-25,109.39	-1,499.77
(Decrease) / Increase in Trade and other payables	24,463.52	-4,240.62
Cash used in operations	**814.68**	**-4,608.98**
Extraordinary item	-	-
4. Direct taxes paid	-51.67	-107.71
Net Cash generated from/(used in) operating activities [A]	**763.01**	**-4,716.68**
Cash Flow from investing activities		
Purchase of fixed assets (including capital advances)	-59.64	-50.44
Proceeds from sale of fixed assets	5.81	502.98
Proceeds/ Repayment of current loans, net	7,534.13	2,251.00
Purchase of non current investments (Net)	-3,777.50	838.91
Interest received	834.33	1,744.15
Net cash generated from/(used in) investing activities [B]	**4,537.14**	**5,286.60**
Cash flow from financing activities		
Proceeds from long term borrowings, net	-697.62	52.27
Proceeds from short term borrowings, net	188.55	62.67
Change in non controlling interest	6.06	51.82
Finance cost	-390.84	-790.84
Net cash generated from/(used in) financing activities [C]	**-893.85**	**-624.09**
Net increase/(decrease) in cash & cash equivalents [A+B+C]	4,406.30	-54.17
Cash & cash equivalents at the beginning of the year	57.43	111.60
Cash & cash equivalents at the end of the year	**4,463.73**	**57.43**
Notes:		
1 A) Components of cash & cash equivalents		
Cash on hand	28.46	37.26
Balances with banks		
- In Current accounts	8.82	20.17
- In Fixed deposit accounts	4,426.45	-
	4,463.73	57.43

2 The amendments to IND-AS 7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April, 2017 and the required disclousre is made below. There is no other impact on the financial statements due to this amendment.

3 The above cashflow statement has been prepared under the 'indirect method' as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows".

4 The previous year's figures have been regrouped wherever necessary.

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Prem Goplani
Partner
M. No. 103765

Place : Mumbai
Date : May 30, 2018

For and on behalf of the Board
Hariyana Ship Breakers Limited

Sd/-	Sd/-	Sd/-
Shantisarup Reniwal	**Rakesh Reniwal**	**Swati Chauhan**
Director	Director	Company Secretary
DIN: 00040355	DIN: 00029332	

Place : Mumbai
Date : May 30, 2018

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

A) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2016	616.67
Changes in Equity share capital during the year	-
Balance as at March 31, 2017	**616.67**
Balance as at April 1, 2017	616.67
Changes in Equity share capital during the year	-
Balance as at March 31, 2018	**616.67**

B. Other equity

Particulars	Attributable to the equity holders of the Company Reserve and Surplus					
	Securities Premium	Capital Reserves	General Reserves	Capital Redemption Reserves	Retained Earnings	Total
Balance as at 1st April, 2016	**140.38**	**893.61**	**374.25**	**500.00**	**8,110.39**	**10,018.63**
Additions during the year:	**-**	**--**	**-**	**-**	**-**	**-**
Profit for the year	-	-	-	-	942.97	942.97
Items of OCI for the year, net of tax	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	-	-	-
Balance as at 31st March, 2017	**140.38**	**893.6**	**374.25**	**500.00**	**9,053.36**	**10,961.61**
Balance as at 1st April, 2017	**140.38**	**893.6**	**374.25**	**500.00**	**9,053.36**	**10,961.61**
Additions during the year:						
Profit for the year					976.37	**976.37**
Items of OCI for the year, net of tax-	-	-	-	-	-	-
Remeasurement benefit of defined benefit plans	-	-	-	-	0.46	**0.46**
Balance as at 31st March, 2018	**140.38**	**893.61**	**374.25**	**500.00**	**10,030.19**	**11,938.44**

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

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)
Sd/-
CA Prem Goplani
Partner
M. No. 103765

For and on behalf of the Board
Hariyana Ship Breakers Limited

Sd/-
Shantisarup Reniwal
Director
DIN: 00040355

Sd/-
Rakesh Reniwal
Director
DIN: 00029332

Sd/-
Swati Chauhan
Company Secretary

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

Notes to the Consolidated Financial Statements

Note 1 : Corporate information

Hariyana Ship Breakers Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company has its primary listing on BSE Limited.

During the year, the Company was engaged in Ship Recycling (ship breaking), Manufacturing of Sponge Iron & Steels, Trading in Ferrous & Non-Ferrous Metals and Coal and Investment. As and when any surplus fund are available, the same is given on interest to other parties and also invested in the shares and securities to earn short term and long term capital gains.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2018.

Note 2 : Basis of preparation and presentation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 5.

The consolidated financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in Indian Rupees and all values are rounded to the nearest lacs (Rupees 00,000), except where otherwise indicated. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Note 3 : Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company, its subsidiary and associates. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Note 4 : Significant accounting policies and key accounting estimates

(A) Significant accounting policies

1 Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

a) expected to be settled in normal operating cycle;

b) held primarily for the purpose of trading;

c) due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets/materials for processing and their realisation in cash and cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

2 Foreign currencies

The Company's consolidated financial statements are prepared in Indian Rupee ("Rupee") which is the also the Company's functional currency.

Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction, i.e. spot rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3 Fair value measurement

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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All 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:

a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties, unquoted financial assets and significant liabilities. Involvement of external valuers is decided upon by the Company after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company, after discussions with its external valuers, determines which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurement. Other fair value related disclosures are given in the relevant notes.

4 Property, plant and equipment

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of Property Plant and Equipment recognised as at April 1, 2016 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

All the items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased during a period is proportionately charged.

Useful lives and residual values of assets are reviewed periodically

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

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.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

5 Leases

The determination of whether an arrangement is (or contains) a lease or not is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company does not have any arrangement during or at the reporting period that can be classified as finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except in the case where incremental lease reflects inflationary effect in which case, lease expense is accounted by actual rent for the period.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

6 Borrowing costs

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

7 Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

8 Intangible assets

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

The amortisation expense on intangible assets is recognised in the statement of profit and loss.

Intangible assets are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

9 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations.

Impairment losses are recognised in the statement of profit or loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses on assets no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

10 Revenue recognition

Revenue is recognised to the extent 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 of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) 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.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

The Company is providing management consulting towards various operational and strategic activities and certain other shared services to some of its subsidiaries. Income from such management consultancy and shared services are recognised in the statement of profit and loss in which such services are rendered.

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in 'Other Income' in the statement of profit and loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<u>Financial assets</u>

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associate, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Investments in subsidiaries and associate are carried at cost as per Ind AS 27 ‘Separate Financial Statements’. In case, the investments are classified as held for sale, such investments are accounted for in accordance with Ind AS 105 ‘Non-current Assets Held for Sale andDiscontinued Operations’.

Subsequent measurement

For purposes of subsequent measurement, financial assets are primarily classified in three categories:

a) Debt instruments at amortised cost;

b) Debt instruments at fair value through other comprehensive income (FVTOCI); and

c) Other financial instruments measured at fair value through profit or loss (FVTPL).

a) Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) 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, such financial assets are subsequently measured at amortised cost using the effective interest rate (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 or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income (FVTOCI)

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

ii) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Other financial instruments measured at fair value through profit and loss (FVTPL)

Any financial asset that does not qualify for amortised cost measurement or measurement at FVTOCI must be measured subsequent to initial recognition at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

b) Financial assets that are debt instruments and are measured as at FVTOCI;

c) Lease receivables under Ind AS 17; and

d) Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or as those measured at amortised cost.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit & loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

b) Financial liabilities at amortised cost

Financial liabilities at amortised cost include loans and borrowings and payables.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Derecognition

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 or loss.

12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

13 Taxes

Current taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

14 Employee benefits

Retirement benefit in the form of contribution to provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company's liabilities towards gratuity and leave encashment payable to its employees are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

15 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

16 Provisions & contingent liabilities

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability arises when the Company has:

a) a possible obligation 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; or

b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recorded in the financial statement but, rather, are disclosed in the note to the financial statements.

(B) <u>Key accounting estimates</u>

1 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

2 Defined benefit plan

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter that is subject to change the most is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are after considering the expected future inflation rates for the country.

Refer to Note 38 for further details.

3 Property, Plant and Equipment

Refer to Note 7 for the estimation of useful life of Property, Plant and Equipment. The carrying values of Property, plant and equipment have been disclosed in Note 6.

4 Allowance for doubtful trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Estimated irrecoverable amounts are derived based on a provision matrix which takes into account various factors such as customer specific risks, geographical region, product type, currency fluctuation risk, repatriation policy of the country, country specific economic risks, customer rating, and type of customer, etc.

Individual trade receivables are written off when the management deems them not to be collectable.

Note 5 : Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes
5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

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, the MCA notified the Ind AS 115. 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.

Note 6 : Transition to IND AS

These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. For periods up to and including the year ended on March 31, 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 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

5.1 Optional exemptions availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, Investment Properties and Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Asset.

Accordingly, the company has elected to measure all of its property, plant and equipment, Investment Properties and intangible assets at their previous GAAP carrying value.

2 Investment in subsidiaries and associate

The Company has elected the option provided under Ind AS 101 to measure all its investments in subsidiaries and associate at previous GAAP carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investments.

3 Fair value measurement of financial assets or financial liabilities

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

5.2 Applicable mandatory exceptions

1 Estimates

The estimates at April 1, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

- FVTPL investments
- FVTOCI – debt securities

Impairment of financial assets based on expected credit loss model

2 Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

5.3 Reconciliation between previous GAAP and Ind AS

1. Reconciliation of equity between previous GAAP and Ind AS

Particulars	Notes	As at March 31, 2017	As at April 1, 2016
Equity under previous GAAP		**11,491.60**	**10,552.56**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	-0.00	5.27
Impact of consolidation of subsidiary and associates		102.04	95.82
Impact of provision for ECL on Trade Receivables	ii	-3.17	-4.38
Provision for Gratuity as per Ind AS	iii	-2.23	-
Tax impact on Ind AS adjustments	v	-9.96	-13.97
Equity as per Ind AS		**11,578.28**	**10,635.30**

2. Total comprehensive income reconciliation for the year ended March 31, 2017

Particulars	Notes	For the year ended on March 31, 2017
Net Profit under previous GAAP		**945.72**
Impact of fair valuation of investments (other than investment in subsidiaries and associate)	i	-5.27
Impact of consolidation of subsidiary and associates		5.45
Impact of provision for ECL on Trade Receivables	ii	1.20
Impact of depreciation	iv	-6.68
Provision for Gratuity as per Ind AS	iii	-2.23
Tax impact on Ind AS adjustments	v	4.01
Net Profit under Ind AS		**942.20**
Total comprehensive profit under Ind AS		**942.20**

i Fair valuation of investments (other than investment in subsidiaries and associate)

Under previous GAAP, the current investments were measured at lower of the cost or market value . Ind AS requires all investments to be measured at fair value at the reporting date and all changes in the fair value subsequent to the transition date to be recognised either in the statement of profit and loss or other comprehensive income (based on the category in which they are classified).

ii Provision for ECL on Trade receivables

On the date of transition to Ind AS, the provision for expected credit loss on trade receivables has resulted in a decrease in the carrying amount of these receivables by Rs. 4.38 lakhs which has been recognised directly in retained earnings (Equity).

As at 31st March, 2017, the provision for expected credit loss on trade receivables has resulted in a decrease in the carrying amount of these receivables by Rs. 3.17 lakhs On such provision, net gain amounting to 1.20 lakhs has been recognised in other expenses in the Statement of Profit and Loss.

iii Provision for Gratuity

Company have created provision for gratuity liability based on Actuarial valuation report as per Ind AS - 19. Actuarial gain / loss disclosed in the Actuarial valuation statement is transferred to other comprehensive income.

iv Cost Model of PPE

Under Previous GAAP, Property, Plant & Equipment were revalued and depreciation on the revaluation amount was charged to Revaluation Reserve. Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, as recognised in the financial statements as at the date of transition to Ind AS. Hence, Depreciation is charged to profit & loss post transition.

v Deferred Tax

Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

vi Excise Duty

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by Rs. 1046.52 lakhs. There is no impact on the total equity and profit.

3. Cashflow reconciliation for the year ended March 31, 2017

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Note No:- 7 | Property Plant and Equipment

ASSETS	Factory Land	Building Premises	Godown	Office	Green Plot Developement (Alang)	Flat - Madhav Hill	Factory Building	Roads & Culvets	Plant & Machineries	Crane	Pollution Control Equipments	Asbestos Handling Machine	Office Equipments	Oxygen Tank
Gross carrying amount														
As at April 1, 2016	235.30	2.36	8.07	16.88	-	12.65	135.07	0.49	507.18	87.14	135.29	1.96	2.44	-
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	21.01
Disposal	-	-	-	16.88	-	-	-	0.49	501.90	-	135.29	-	0.81	-
As at March 31, 2017	**235.30**	**2.36**	**8.07**	-	-	**12.65**	**135.07**	-	**5.28**	**87.14**	-	**1.96**	**1.62**	**21.01**
As at April 1, 2017	235.30	2.36	8.07	-	11.36	12.65	135.07	-	5.28	87.14	-	1.96	1.62	21.01
Additions	4.64	8.77	-	-	16.39	-	-	-	4.07	2.90	-	-	-	1.02
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**239.94**	**11.13**	**8.07**	-	**27.75**	**12.65**	**135.07**	-	**9.35**	**90.04**	-	**1.96**	**1.62**	**22.03**
Accumulated depreciation														
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	0.09	0.75	0.13	-	-	6.26	0.02	130.51	13.14	28.60	0.18	0.15	1.10
Deduction / Adjustment / Written back				0.13				0.02	130.14		28.60			
As at March 31, 2017	-	**0.09**	**0.75**	-	-	-	**6.26**	-	**0.37**	**13.14**	-	**0.18**	**0.15**	**1.10**
As at April 1, 2017		0.09	0.75				6.26		0.37	13.14		0.18	0.15	1.10
Depreciation for the year		0.09	0.75		0.26				0.54	13.39		0.18	0.34	1.33
Deduction / Adjustment / Written back	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	**0.18**	**1.49**	-	**0.26**	-	**6.26**	-	**0.92**	**26.53**	-	**0.36**	**0.49**	**2.43**
Net Carrying Amounts														
As at April 1, 2016	235.30	2.36	8.07	16.88	-	12.65	135.07	0.49	507.18	87.14	135.29	1.96	2.44	-
As at March 31, 2017	235.30	2.27	7.33	-	-	12.65	128.81	-	4.91	74.00	-	1.78	1.47	19.91
As at March 31, 2018	239.94	10.95	6.58	-	27.49	12.65	128.81	-	8.44	63.51	-	1.60	1.13	19.60

ASSETS	Mobile	Furniture	Computer	Air Conditioners	Metal Detector	Vehilcle	Transport Vehicle	Portable Generator Set	Wire Ropes	Fire Fighting Equipments	Spectormeter	Wieghing Machine	Weigh Bridge	Winch
Gross carrying amount														
As at April 1, 2016	0.24	3.76	0.92	2.53	0.49	27.98	0.25	0.01	32.24	0.67	5.36	0.35	8.34	8.88
Additions	0.34	-	-	-	-	13.39	-	-	4.34	-	-	-	-	-
Disposal	-	2.00	0.05	-	-	-	0.25	-	-	-	-	-	-	-
As at March 31, 2017	**0.58**	**1.76**	**0.87**	**2.53**	**0.49**	**41.37**	-	**0.01**	**36.58**	**0.67**	**5.36**	**0.35**	**8.34**	**8.88**
As at April 1, 2017	0.58	1.76	0.87	2.53	0.49	41.37	-	0.01	36.58	0.67	5.36	0.35	8.34	8.88
Additions	0.20	0.36	0.37	-	-	8.51	-	-	-	-	-	-	-	2.80
Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**0.78**	**2.12**	**1.24**	**2.53**	**0.49**	**49.88**	-	**0.01**	**36.58**	**0.67**	**5.36**	**0.35**	**8.34**	**11.68**
Accumulated depreciation														
As at April 1, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	0.13	0.77	0.25	0.24	0.08	5.77	-	-	3.82	0.14	0.56	0.08	1.44	0.76
Deduction / Adjustment / Written back		0.25												
As at March 31, 2017	**0.13**	**0.51**	**0.25**	**0.24**	**0.08**	**5.77**	-	-	**3.82**	**0.14**	**0.56**	**0.08**	**1.44**	**0.76**
As at April 1, 2017	0.13	0.51	0.25	0.24	0.08	5.77			3.82	0.14	0.56	0.08	1.44	0.76
Depreciation for the year	0.26	0.13	0.37	0.24	0.08	6.72			4.05	0.14	0.56	0.08	1.44	0.78
Deduction / Adjustment / Written back	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**0.38**	**0.65**	**0.62**	**0.48**	**0.15**	**12.49**	-	-	**7.87**	**0.29**	**1.13**	**0.15**	**2.88**	**1.53**
Net Carrying Amounts														
As at April 1, 2016	0.24	3.76	0.92	2.53	0.49	27.98	0.25	0.01	32.24	0.67	5.36	0.35	8.34	8.88
As at March 31, 2017	0.45	1.24	0.62	2.29	0.42	35.59	-	0.01	32.76	0.52	4.80	0.28	6.90	8.12
As at March 31, 2018	0.40	1.47	0.62	2.05	0.34	37.39	-	0.01	28.71	0.38	4.23	0.20	5.47	10.15

ASSETS	Land	Shed & Building	Office Furniture	Air Conditioner	Motor Car	Electrification	Office Equipments	Plant & Machinery	Mobile	Oxygen Cylinders	Computers	Total
Gross carrying amount												
As at April 1, 2016	11.64	51.22	0.26	0.12	5.81	8.66	0.07	91.94	0.28	78.57	0.45	1,485.88
Additions	-	-	-	-	-	-	-	-	-	-	-	39.08
Disposal	1.23	3.21	-	-	-	-	-	-	-	-	-	662.12
As at March 31, 2017	**10.42**	**48.01**	**0.26**	**0.12**	**5.81**	**8.66**	**0.07**	**91.94**	**0.28**	**78.57**	**0.45**	**862.84**
As at April 1, 2017	10.42	48.01	0.26	0.12	5.81	8.66	0.07	91.94	0.28	78.57	0.45	874.20
Additions	4.36	-	-	-	-	-	-	4.38	-	-	-	58.78
Disposal	-	-	-	-	5.81	-	-	-	-	-	-	5.81
As at March 31, 2018	**14.77**	**48.01**	**0.26**	**0.12**	-	**8.66**	**0.07**	**96.33**	**0.28**	**78.57**	**0.45**	**927.16**
Accumulated depreciation												
As at April 1, 2016	-	-	-	-	3.71	-	-	-	-	-	0.43	4.14
Depreciation for the year	-	1.86	0.05	0.01	0.69	1.68	0.01	8.82	0.03	7.54	-	215.64
Deduction / Adjustment / Written back												159.14
As at March 31, 2017	-	**1.86**	**0.05**	**0.01**	**4.40**	**1.68**	**0.01**	**8.82**	**0.03**	**7.54**	**0.43**	**60.64**
As at April 1, 2017		1.86	0.05	0.01	4.40	1.68	0.01	8.82	0.03	7.54	0.43	60.64
Depreciation for the year		1.86	0.05	0.01		1.68	0.01	9.38	0.03	7.54		52.29
Deduction / Adjustment / Written back	-	-	-	-	4.40	-	-	-	-	-	-	4.40
As at March 31, 2018	-	**3.71**	**0.10**	**0.02**	-	**3.36**	**0.01**	**18.20**	**0.05**	**15.08**	**0.43**	**108.52**
Net Carrying Amounts												
As at April 1, 2016	11.64	51.22	0.26	0.12	2.10	8.66	0.07	91.94	0.28	78.57	0.02	1,481.74
As at March 31, 2017	10.42	46.16	0.21	0.10	1.41	6.98	0.06	83.12	0.26	71.03	0.02	802.20
As at March 31, 2018	14.77	44.30	0.16	0.09	-	5.30	0.06	78.12	0.23	63.49	0.02	818.65

Note 8 : Capital Work In Progress

Particulars	Green Plot Development (Alang)
Gross carrying amount	
As at April 1, 2016	**-**
Additions	11.36
Deductions	-
As at March 31, 2017	**11.36**
As at April 01, 2017	**11.36**
Additions	-
Deductions	
(Transfer to Property, Plant & Equipments)	11.36
As at March 31, 2018	**-**
Net carrying amount	
As at March 31, 2018	**-**
As at March 31, 2017	**11.36**
As at April 1, 2016	-

Note 9 : Investment Property

Particulars	Premises (Other than Factory)	Warehouse (Leasehold)	Total
Gross carrying amount			
As at April 1, 2016	**247.91**	**29.72**	**277.64**
Additions	-	-	-
Inter Transfers	-	-	-
Recoupment / Adjustment	-	-	-
Deductions	-	-	-
As at March 31, 2017	**247.91**	**29.72**	**277.64**
As at April 1, 2017	**247.91**	**29.72**	**277.64**
Additions	-	-	-
Inter Transfers	-	-	-
Recoupment / Adjustment	-	-	-
Deductions	-	-	-
As at March 31, 2018	**247.91**	**29.72**	**277.64**
Accumulated depreciation			
As at April 1, 2016	-	-	-
Depreciation for the year	6.41	0.76	7.18
Inter Transfers	-	-	-
Impairment for the year	-	-	-
Deductions	-	-	-
As at March 31, 2017	**6.41**	**0.76**	**7.18**
As at April 1, 2017	**6.41**	**0.76**	**7.18**
Depreciation for the year	12.67	0.76	13.4
Inter Transfers	-	-	-
Impairment for the year	-	-	-
Deductions	-	-	-
As at March 31, 2018	**19.08**	**1.53**	**20.61**
Net carrying amount			
As at April 1, 2016	**247.91**	**29.72**	**277.64**
As at March 31, 2017	**241.50**	**28.96**	**270.46**
As at March 31, 2018	**228.83**	**28.19**	**257.02**

Information regarding income and expenditure of Investment property

Particulars	As at March 31, 2018	As at March 31, 2017
Rental income derived from Investment Property	6.68	5.20
Direct operating expenses (including repairs and maintenance) generating rental income	0.12	0.12
Profit arising from investment property before depreciation and indirect expenses	**6.56**	**5.08**
Less : Depreciation	13.43	7.18
Profit arising from investment property before indirect expenses	**-6.88**	**-2.10**

The Company has no restrictions on the realisability of its investment property and no contractual obligations to construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property are as under:

Fair value	Premises (Other than Factory)	Warehouse (Leasehold)	Total
As at April 1, 2016	**247.91**	**29.72**	**277.64**
Changes in fair value	-6.41	-0.76	-7.18
Purchases	-	-	-
As at March 31, 2017	**241.50**	**28.96**	**270.46**
Changes in fair value	-12.67	-0.76	-13.43
Purchases	-	-	-
As at March 31, 2018	**228.83**	**28.19**	**257.02**

Note 10 : Other Intangible Assets

Particulars	Website
Gross carrying amount	
As at April 1, 2016	0.22
Additions	-
Disposal	-
As at March 31, 2017	**0.22**
As at April 1, 2017	0.22
Additions	0.86
Disposal	-
As at March 31, 2018	**1.08**
Accumulated depreciation	
As at April 1, 2016	-
Depreciation for the year	0.22
Deduction / Adjustment /Writtent back	-
As at March 31, 2017	**0.22**
As at April 1, 2017	0.22
Depreciation for the year	0.17
Deduction / Adjustment /Writtent back	-
As at March 31, 2018	**0.38**
Net Carrying Amounts	
As at April 1, 2016	**0.22**
As at March 31, 2017	**0.00**
As at March 31, 2018	**0.70**

Note No:- 11 Investments Non - Current

Particulars		As at	
	March 31, 2018	March 31, 2017	1st April 2016
(A) Investment at Cost			
- In Associates (as per the Equity Method)			
1. Goyal Hariyana Realty	4,621.11	1,069.39	945.91
2. Orchid Lakeview Developers	1,618.93	2,899.56	1,638.05
3. White Mountain	2,367.12	1,233.15	2,267.00
4. Whitefield Projects	4.20	4.20	4.20
5. Swastik Developers	538.39	480.70	429.20
6. Goyal Hariyana Constructions	-	466.76	2,924.98
	-	-	-
- In Other Partnership Firms	1,302.21	601.40	-2,253.10
- In Equity Shares (Unquoted)			
- The Cuffe Persepolis premises of Co-Operative Ltd. 1 (PY 1.00) share of Rs.10/- each paid up	0.00	0.00	0.00
(B) Investment at Fair value through profit and loss (FVTPL):			
- Mutual Funds (Quoted)			
Axis Liquid Fund (Edelweiss)	27.11	-	-
1411.2020 Units (PY Nil)	-	-	-
PNB Principal Low Duration Growth Plan	53.57	-	-
1874.501 Units (PY Nil)	-	-	-
PNB Principle Regular Growth Fund	-	-	1,637.83
111283.440 Units (PY Nil)	-	-	-
	-	-	-
- Investment in Shares (Quoted)	0.00	0.00	0.00
Inducto Steel Ltd	-	-	-
10 (PY 10) shares of Rs.10/- each fully paid up			
	-	-	-
	-	-	-
Total	**10,532.65**	**6,755.15**	**7,594.06**

Note:

(a) Aggregate value of quoted investments and market value thereof	80.69	0.00	1,637.83
(b) Aggregate value of unquoted investments and market value thereof	1,302.21	601.40	-2,253.10

*** Details of Investment in Partnership Firms**

Particulars			As at	
	Shares in Profit/Loss	March 31, 2018	March 31, 2017	April 1, 2016
In Partnership Firms				
Fixed Capital				
Orchid Lakeview Developers	33.33%	1.00	1.00	1.00
White Mountain	25.00%	0.25	0.25	0.25
Shree Balaji Associates	5.00%	0.25	0.25	0.25
Goyal Hariyana Realty	50.00%	0.50	0.50	0.50
Hariyana Developers	51.00%	-	-	2.55
Hariyana Air Product	95.00%	-	-	-
Goyal Hariyana Construction (*orchid woods project)	50.00%	-	-	100.00
Current A/c				
Whitefield Projects	40.00%	4.20	4.20	4.20
Swastik Developers	33.33%	538.39	480.70	429.20
Orchid Lakeview Developers	33.33%	1,617.93	2,898.56	1,637.05
Goyal Hariyana Construction	50.00%	-	466.76	2,824.98
White Mountain	25.00%	2,366.87	1,232.90	2,266.75
Goyal Hariyana Realty	50.00%	4,620.61	1,068.89	945.41
Shree Balaji Associates	5.00%	1,301.96	601.15	-3,695.32
Hariyana Air Product	95.00%	-	-	-
Hariyana Developers	51.00%	-	-	1,439.42
		10,451.97	6,755.15	5,956.23

** The partnership deed of M/s. Hariyana Air Product has been re-consituted w.e.f. 08.07.2016. With the re-constitution, share in profit/(loss) of the company has been increased to 95% from 60%.*

Note No:- 12 Other Financial Asset

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
- Advances recoverable in cash or kind	89.93	89.93	-
- Balances with Income Tax Department	1.30	-	-
- Security Deposits	6.39	10.48	10.58
Total	**97.62**	**100.41**	**10.58**

Note No:- 13 Other Non-Current Asset

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
A **Security Deposits**	6.71	6.70	1.70
(A)	6.71	6.70	1.70
B **Other Loans and Advances**			
- Balance with statutory/government authorities	82.93	73.62	70.36
(B)	82.93	73.62	70.36
Total(A+B)	**89.64**	**80.32**	**72.06**

Note No:- 14 Inventories

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(As verified, valued and certified by management)			
A **RAW MATERIALS & COMPONENTS**			
UNCUT SHIP	12,113.06	891.26	-
SPONGE IRON	-	-	53.99
	12,113.06	891.26	53.99
B **STOCK- IN -TRADE**	14,859.03	971.45	307.57
	-	-	-
C **FINISHED GOODS**	-	-	1.37
Total	**26,972.10**	**1,862.70**	**362.93**

Notes :

Inventories of Raw Materials - Ships are stated at Cost values. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formulas used are First -in -First -out. Inventories of Finished Goods/ Traded Goods are stated at lower of cost or net realizable value.

In ship recycling units, the weight of the ship purchased is accounted in terms of LDT/MT of the ship at the time of its construction. Ascertaining of weight of ship at the time of purchase is not possible due to its nature and size. There is loss of weight on account of corrosion and other factors during the usage of the ship and its voyage for long period of the years. Inventory at the close of the year is ascertained by reducing the weight of the scrap sold together with the estimated wastage of the material.

Consumable stores and spares are written off at the time of purchase itself.

Note No:- 15 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
Trade Receivable - Unsecured			
Considered Good	16.89	2,249.95	3,466.88
Considered Doubtful	0.87	3.17	4.38
	17.76	2,253.13	3,471.25
Less : Allowance for doubtful debts	0.87	3.17	4.38
Total	**16.89**	**2,249.95**	**3,466.88**
Age analysis of trade receivables			
Outstanding for more than six months from the date they are due	0.34	2,234.34	3,452.78
Others	17.42	18.79	18.47
	17.76	2,253.13	3,471.25

Notes:

1. Summary of movement in allowance for doubtful trade receivables

Particulars	As at March 31, 2018	March 31, 2017
Balance at the beginning of the year	**3.17**	**4.38**
Movement during the year	-2.30	1.20
Less : Write off of bad debts	-	-
Balance at the end of the year	**0.87**	**3.17**

2. The trade receivables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

Note No:- 16 Cash and Cash Equivalents

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
Cash in Hand *(As verified and certified by management)*	28.46	37.26	14.48
Balances with scheduled banks	-	-	-
- In current accounts	8.82	20.17	97.12
- In deposit accounts	4,426.45	-	-
Total	**4,463.73**	**57.43**	**111.60**

Notes :

The details of balances as on balance sheet dates with banks are as follows:

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
In Bank Accounts:			
- Balances with scheduled banks	-	7.24	21.26
- Punjab National Bank - CC 1040	0.17	0.74	0.51
- Punjab National Bank - CC2793	4.00	0.37	0.22
- Punjab National Bank - CC 600	-	2.51	-
- Punjab National Bank - Bhavnagar Branch (52134)	0.25	0.52	1.56
- Punjab National Bank - CA (53009)	0.25	-	-
- State Bank of India	-	0.20	1.18
- Punjab National Bank CC - 2809(Mumbai)	2.59	-	-

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
- Punjab National Bank Term Deposit	4,426.45	-	-
- Punjab National Bank (Mumbai) OD 376097	-	-	69.94
- Allahabad Bank - Bhavnagar (50061174112)	-	-	0.13
- Allahabad Bank - Mumbai (50029933862)	-	-	0.14
- Punjab National Bank	1.57	8.60	0.02
- Allahabad Bank (Cc - 50061828260)	-	-	2.16
Total	4,435.27	20.17	97.12

** Term deposit of Rs. 44 Crores including accrued interest of Rs.26.45 Lakhs thereon is lien marked with Punjab National Bank against letter of credit of Rs.122 Crores issued by Punjab National Bank in favour of trade payables.*

Note No:- 17 Current Financial Assets - Loans

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, Considered good)			
Advance against proposed business venture	1,985.57	9,519.70	11,770.70
Total	**1,985.57**	**9,519.70**	**11,770.70**

Note No:- 18 Other Current Financial Assets

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
Advances recoverable in cash or kind	28.97	116.96	177.95
Balances with Revenue Authorities	9.21	1.30	-
Interest Receivable	0.35	-	-
Total	**38.53**	**118.26**	**177.95**

Note No:- 19 Other Current Assets

Particulars	As at March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured, considered good)			
Security Deposits	2.67	2.67	2.67
Other Deposits	-	-	1.91
Prepaid Expenses	3.6	1.05	0.88
Staff Advances	5.68	5.35	5.45
Advance to Suppliers	23.77	0.64	-
Margin Money given	2.45	2.83	-
Balance with statutory/government authorities	1,691.81	235.62	45.26
Total	**1,730.03**	**248.15**	**56.18**

Note No:- 20 Equity Share Capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
AUTHORISED CAPITAL:			
Equity Shares of Rs. 10/- Each	650.00	650.00	650.00
4% Redeemable Preference Share of Rs. 10/- Each	500.00	500.00	500.00
ISSUED SHARES CAPITAL			
Equity Shares of Rs. 10/- Each	616.67	616.67	616.67
SUBSCRIBED & PAID UP CAPITAL			
Equity Shares of Rs. 10/- Each fully paid up	616.67	616.67	616.67
Total	**616.67**	**616.67**	**616.67**

Notes :

a) The reconciliation of the number of outstanding shares is set out below :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
At the beginning of the year	6,166,667	616.67	6,166,667	616.67	6,166,667	616.67
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**6,166,667**	**616.67**	**6,166,667**	**616.67**	**6,166,667**	**616.67**

b) The details of shareholder holding more than 5% shares is set out below:

NAME OF SHAREHOLDERS	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	**% of Holding**	**No. of Shares**	**% of Holding**	**No. of Shares**	**% of Holding**
1 Rakesh Reniwal	858,230	13.92%	858,230	13.92%	858,230	13.92%
2 Lalitadevi Reniwal	414,800	6.73%	414,800	6.73%	414,800	6.73%
3 Sanjeev Reniwal	438,267	7.11%	438,267	7.11%	438,267	7.11%
4 Shantisarup Reniwal HUF	625,178	10.14%	625,178	10.14%	625,178	10.14%
5 Rajeev Reniwal	1,539,009	24.96%	1,539,009	24.96%	1,539,009	24.96%
6 Unnati Reniwal	400,000	6.49%	400,000	6.49%	400,000	6.49%

As per records of the company, including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

c) Terms/rights attached to equity shares :

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

- During the period ended 31st March 2018, the amount of per share dividend recognized as distributions to equity shareholder was NIL per share (PY Nil)
- Preference shareholder do not have any voting right. They are entitled to dividend @ 4% before equity shareholders.
- In the event of liquidation of the company, the holders of the Equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

Note 21: Other equity

Refer to the statement of changes in equity for movement in Other equity.

Nature and purpose of reserves

Capital Redemption Reserve

The Company has recognised Capital Redemption Reserve, on buyback or redemption of its own equity/ preference shares, from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the shares bought back.

Security premium

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium Reserve.

Capital Reserve

The Company has recognised Capital Reserve, on amalgamation of Hariyana Fashions Private Limited and Hariyana Machinery Export Private Limited with the Company during the F.Y. 2005-06.

General reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to the shareholders.

Note No:- 22 Borrowings Non - Current

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
UNSECURED			
- From Directors and Shareholders	-	697.62	645.35
Total	**-**	**697.62**	**645.35**

Note No:- 23 Non - Current Provisions

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Provision for Gratuity	3.45	2.23	-
(Refer to Note - 36 for detailed disclosure)			
Total	**3.45**	**2.23**	**-**

Note No:- 24 Other Non Current Liabilities

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
Other Payables			
Advance from Customers	-	3.50	-
Security Deposit From Tenants	13.40	13.40	13.40
Total	**13.40**	**16.90**	**13.40**

Note No:- 25 Current Financial Liabilities - Borrowings

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
Secured Borrowings			
I **Loan from banks (includes CC, OD etc.)**	343.41	154.87	92.20
Total	**343.41**	**154.87**	**92.20**

Notes:

1. Details of the secured short-term borrowings:

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
Working Capital Loan from banks:			
a Punjab National Bank OD-376097	331.78	154.87	-
b Punjab National Bank CC- 600	-	-	30.13
c Punjab National Bank OD (52724)	11.63	-	-
d Allahabad Bank Loan	-	-	2.07
	343.41	154.87	92.20

2. Details of Security:

a. Cash Credit facility from Punjab National Bank is secured by way of hypothecation of Stocks & book debts of the company as primary security and equitable mortgage of immovable property of the company & associated concern as collateral security.

b. Bank overdraft facility from Punjab National Bank is secured by way of equitable mortgage of immovable property of the company & associated concern as collateral security & personal guarantee of the associated concern & relatives of the key management personnels.

Note No:- 26 Current Financial Liabilities - Trade Payables

Particulars	As at		
	March 31, 2018	March 31, 2017	April 1, 2016
- For Goods	30,703.64	9,030.90	13,258.79
- For Expenses	78.98	17.99	338.90
Total	**30,782.62**	**9,048.89**	**13,597.69**

Notes:

1. Trade payables are recognized at their original invoiced amounts which represent their fair value on initial recognition. The trade payables are considered to be of short duration and are not discounted and the carrying values are assumed to approximate their fair values.

2. The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note No:- 27 Other Current Financial Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Payable to Employees	8.82	11.52	0.11
Other Payables	25.51	2.52	3.13
Total	**34.33**	**14.04**	**3.24**

Note No:- 28 Other Current Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory Dues	8.18	149.45	10.08
Expenses Payables	2.05	0.17	-
Advance from Customers	2,874.96	33.41	-
Advance received against proposed joint venture	121.33	-	-
Margin Money	119.00	266.00	153.95
Total	**3,125.52**	**449.04**	**164.03**

Note 29 : Income taxes

1 Components of Income tax expense

The major component of Income tax expense for the year ended on March 31, 2018 and March 31, 2017 are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statement of Profit and Loss		
Current tax		
Current income tax	51.67	107.71
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Deferred tax expense	-10.51	-175.52
	41.16	**-67.81**
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	0.19	-
	0.19	**-**
Income tax expense as per the statement of profit and loss	**41.35**	**-67.81**

2 Reconciliation of effective tax

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	**157.72**	**-231.21**
Tax @ 34.608% (PY: 33.063%)	**54.58**	**-76.44**
Adjustments for:		
Expenses not allowed as deduction	27.38	1.33
Deferred tax rate being different from current tax	-1.50	-0.70
Profit / (Loss) covered under higher and lower tax rate	-3.78	-3.58
Income on which tax not required to be paid	2.97	-0.49
Profit / (Loss) covered on consolidation of subsidiary	-41.61	5.10
Other Adjustment	3.12	6.96
Tax expense / (benefit)	**41.16**	**-67.81**
Effective Tax Rate	**26.095%**	**29.330%**

3 Movement in Deferred Tax Assets and Liabilities

For the year ended on March 31, 2017

Particulars	As at April 1, 2016	Credit/(change) in the Statement of Profit and Loss	Credit/(change) in Other Comprehensive Income	As at March 31, 2017
Deferred Tax Liabilities				
Property, Plant and Equipment	277.97	-173.57	-	104.39
Fair Value of financial instrument	1.63	-1.63	-	-
	-	-	-	-
Deferred Tax Assets				
Allowance for Doubtful Debts	1.35	0.37	-	-0.98
Retirement Benefit Plans	-	-0.69	-	-0.69
	278.24	**-175.52**	**-**	**102.72**

For the year ended on March 31, 2018

Particulars	As at March 31, 2017	Credit/(change) in the Statement of Profit and Loss	Credit/(change) in Other Comprehensive Income	As at March 31, 2018
Deferred Tax Liabilities				
Property, Plant and Equipment	104.39	-10.93	-	93.46
Fair Value of financial instrument	-	0.20	-	0.20
Deferred Tax Assets				
Allowance for Doubtful Debts	-0.98	0.73	-	-0.25
Retirement Benefit Plans	-0.69	-0.13	-0.19	1.00
	102.72	**-10.13**	**-0.19**	**92.40**

4 Current tax assets and liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Current tax assets	-	-	-
Current tax liabilities	41.94	6.64	-

Note No:- 30 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
SALES OF MANUFACTURED GOODS	5,925.67	9,594.84
SALES OF TRADED GOODS	10,877.78	19,045.84
Total	**16,803.45**	**28,640.68**

Note No:- 31 OTHER INCOME

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
FOREIGN CURRENCY TRANSACTION VARIATION	-	219.83
RENT RECEIVED	36.43	36.06
CYLINDER RENT INCOME (OXYGEN GAS)	-	1.13
PROFIT/(LOSS) FROM PARTNERSHIP FIRMS	-8.59	1.50
PROFIT ON SALE OF MUTUAL FUNDS	224.45	111.53
GAIN ON SALE OF ASSETS	4.48	6.20
GAIN/(LOSS) ON FAIR VALUE CHANGES OF INVESTMENTS CLASSIFIED AS FVTPL	0.69	-5.27
INTEREST INCOME :		
FROM CUSTOMER	2.40	765.81
FROM PGVCL	0.39	0.70
FROM OTHER PARTIES	790.58	977.64
FROM BANK	40.96	-
ON INCOME TAX REFUND	-	0.00
ON COMPULSORY ACQUISITION OF LAND	-	1.42
OTHER INCOME		
AMOUNT WRITTEN OFF AS NO LONGER PAYABLE	-	91.21
MISC. INCOME	2.47	25.41
Total	**1,094.27**	**2,233.17**

Note No:- 32 COST OF CONSUMPTION OF RAW MATERIALS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
INVENTORY AT THE BEGINNING OF THE YEAR	891.26	53.99
ADD: PURCHASE OF RAW MATERIAL	16,582.15	10,149.09
	17,473.41	10,203.08
LESS: INVENTORY AT THE END OF THE YEAR	12,113.06	891.26
COST OF CONSUMPTION OF RAW MATERIALS	**5,360.34**	**9,311.82**

Note No:- 33 PURCHASE OF STOCK - IN - TRADE

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
PURCHASES	24,221.09	19,355.35
Total	**24,221.09**	**19,355.35**

Note No:- 34 CHANGES IN INVENTORIES

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
INVENTORY AT THE BEIGINNING OF THE YEAR		971.45	308.94
(A)		971.45	308.94
INVENTORY AT THE END OF THE YEAR		1,4859.03	971.45
(B)		1,4859.03	971.45
INCREASE/(DECREASE) IN FINISHED STOCK	**(A-B)**	**-13,887.59**	**-662.50**

Note No:- 35 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
SALARIES & WAGES	163.40	113.86
SALARY TO DIRECTORS	3.15	-
CONTRIBUTION TO PROVIDENT FUND	11.19	6.55
CONTRIBUTION TO E.S.I.C.	6.07	3.48
GRATUITY EXPENSE	1.87	2.23
BONUS	10.50	13.95
STAFF WELFARE EXPENSES	1.89	1.56
Total	**198.07**	**141.63**

Note No:- 36 FINANCE COSTS

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
BANK COMMISSION & CHARGES	61.05	73.96
LC DISCOUNTING CHARGES	104.56	239.98
INTEREST EXPENSES:		
ON BANK FINANCE	3.01	20.91
LC USANCE INTEREST	134.71	80.99
PAID TO OTHER PARTIES	86.35	370.97
ON DELAYED PAYMENT OF STATUTORY DUES	1.16	4.03
Total	**390.84**	**790.84**

Note No:- 37 OTHER EXPENSES

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
CONSUMPTION OF STORE & SPARE PARTS	20.42	18.24
ENVIRONMENT PROTECTION CHARGES	1.67	1.16
GASES EXPENSES	85.38	104.16
OTHER MANUFACTURING & OPERATING EXPENSES	2.02	1.04
PLOT RENT & PLOT DEVELOPMENT CHARGES	25.18	25.79
POWER & FUEL	106.16	62.62
LOADING/ UNLOADING EXPENSES	-	0.21
REPAIRS & MAINTENANCES	2.63	2.58
ADVERTISEMENTS	0.46	0.40
ACCOUNTING CHARGES	3.90	2.07
SUNDRY BALANCES WRITTEN OFF	643.34	29.91
COMPUTER CHARGES	0.66	0.40
CLEARING & FORWARDING CHARGES	-	69.50
CSR EXPENDITURE	19.00	-
DONATION	0.77	1.34
ELECTRIC EXPENSES	0.89	1.58
FEES & SUBSCRIPTION	8.03	1.21
FOREIGN CURRENCY TRANSACTION VARIATION	189.89	93.94
GENERAL EXPENSES	2.04	3.16
INSURANCE	3.16	0.52
LEGAL & PROFESSIONAL EXPENSES	48.58	22.79
LOADING/ UNLOADING EXPENSES	-	1.86
LOSS ON SALE OF FIXED ASSETS	0.79	-
ALLOWANCE/(WRITE BACK) FOR DOUBTFUL DEBTS	-2.30	-1.20
LISTING EXPENSES	3.57	2.98
PAYMENT TO AUDITORS	2.17	2.36
PENALTY & INTEREST CHARGES	0.05	-
POSTAGE & COURIER	0.82	0.43
PRINTING & STATIONERY	0.92	1.45
PROFESSIONAL TAX	0.04	0.04
RATE & TAXES	2.51	4.61
RENT	5.00	21.59
SECURITY EXPENSES	1.04	0.35
SERVICE TAX EXPENSES	1.35	6.63
SHORTAGE OF GOODS	-	2.59
SUPERVISION CHARGES	6.00	-
SOCIETY MAINTENANCE	2.13	2.91
TELEPHONE EXPENSES	1.88	1.07
TRAVELLING EXPENSES	11.56	5.66
WAREHOUSING CHARGES	41.00	1.37
VEHICLE & CONVEYANCE EXPENSES	8.67	5.61
BROKERAGE & COMMISSION	41.21	31.31
FREIGHT	0.56	0.72
SALES TAX	0.08	1.65
Total	**1,293.25**	**536.57**

Note 38 : Employee benefits

A. Defined contribution plans:

The Company deposits amount of contribution to government under PF and other schemes operated by government.

Amount of Rs. 178.79 lakhs (P.Y. : Rs. 128.29 lakhs) is recognised as expenses and included in Note 27 "Employee benefit expense."

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Provident fund	11.19	6.55
ESIC	6.07	3.48
	17.26	**10.03**

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The benefit vests only after five years of continuous service, except in case of death/disability of employee during service. The vested benefit is payable on separation from the Company, on retirement, death or termination.

March 31, 2018 : Changes in defined benefit obligation and plan assets

	As at March 31, 2018		As at March 31, 2017	
Gratuity - Defined benefit obligation				
Opening Balance	-	2.23	-	-
Gratuity cost charged to statement of profit and loss				
Current Service cost	1.70	-	0.98	-
Past Service cost			1.25	
Net interest expense	0.17	-	-	-
Transfer in / (out) obligation	-	-	-	-
Sub-total included in statement of profit and loss		1.87		2.23
Benefit paid				
Remeasurement gains/(losses) in other comprehensive income				
Return on plan assets (excluding amounts	-	-	-	-
included in net interest expense)	-	-	-	-
Actuarial changes arising from changes in demographic assumptions	-	-	-	-
Actuarial changes arising from changes in financial assumptions	-0.09	-	-	-
Experience adjustments	-0.56		-	
Sub-total included in OCI	**-**	-0.65	-	-
Defined benefit obligation		3.45		2.23
Fair value of plan assets	-	-	-	-
Total benefit liability	**-**	**3.45**	**-**	**2.23**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.80%	7.50%
Future salary increase	7-10%	7-10%
Attrition rate	1-3%	1-3%
Mortality rate during employment	100%	100%

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars		(Increase) / decrease in defined benefit obligation (Impact)	
	Sensitivity level	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Gratuity			
Discount rate	1% increase	-0.50	-0.29
	1% decrease	0.63	0.36
Salary increase	1% increase	0.62	0.35
	1% decrease	-0.50	-0.29
Attrition rate	50% increase	-0.02	-0.01
	50% decrease	0.01	0.01

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	0.46	0.03
Between 2 and 5 years	0.29	0.55
Beyond 5 years	16.55	8.40
Total expected payments	**17.30**	**8.98**

Weighted average duration (years) of defined plan obligation (based on discounted cash flows)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gratuity	17 Years	15 Years

C. Other Long term employee benefit plans

Leave encashment

Salaries, Wages and Bonus include Rs.194.31 Lacs (P.Y.: Rs.71.63 Lacs) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

Note 39: Related Party transactions

Related party disclosures, as required by Ind AS 24, ” Related Party Disclosures”, are given below.

(A) Particulars of related parties and nature of relationships

Name of the related parties

A. Companies over which Key Management Personnel and their relatives are able to exercise significant influence

1. Orchid Lakeview Developers
2. Swastik Developers
3. White Mountain
4. Whitefield Projects
5. Goyal and Company (Construction) Pvt. Ltd.
6. Goyal Hariyana Realty
7. Shree Balaji Associates
8. Goyal Hariyana Construction

B. Key Management Personnel

Managing Director

1. Rakesh Reniwal

Executive directors

2. Shanti Sarup Reniwal
3. Unnati Reniwal

Company Secretary

4. Swati Chauhan

C. Relatives of Key Management Personnel

1. Sandeep Agarwal
2. Shivshankar Agarwal
3. Tanmay Agarwal

(B) Related party transactions and balances

The details of material transactions and balances with related parties (including those pertaining to discontinued operations) are given below:

a) Transactions during the year	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
Sales and other operating income		
(i) Sales		
Hariyana Air Product	596.33	-
	596.33	-
(ii) Other operating income / Other income		
Interest Income		
White Mountain	263.04	225.63
Orchid Lakeview Developers	148.11	199.34
Swastik Developers	57.68	51.50
Goyal Hariyana Realty	303.10	112.33
Goyal Hariyana Construction	18.65	176.38
Hariyana Air Products	16.01	19.58
	806.59	784.77
Share of Profit/ (Loss) from the firms		
Orchid Lakeview Developers	523.93	435.28
Shree Balaji Associates	-8.59	1.50
Goyal Hariyana Construction	-	406.51
Goyal Hariyana Realty	154.21	10.08
White Mountain	190.84	163.10
Hariyana Air Products	115.66	-9.75
	976.05	1,006.72
Purchases		
Oxygen Gas Purchases		
Hariyana Air Products	1.15	43.58
	1.15	43.58
Interest paid		
Shree Balaji & Associates	27.33	312.81
Tanmay Trilokchand Agarwal	5.48	19.36
Shivshankar Agarwal	5.16	19.36
Sandeep Agarwal	5.10	19.36
	43.07	370.89
Remuneration Paid		
Swati Chauhan	4.40	4.40
Rakesh Reniwal	3.15	-
	7.55	4.40

** Leave encashment and gratuity benefits which is based on actuarial valuation on an overall company basis is not included in the above.*

Transactions during the year	For the year ended March 31, 2018	For the year ended March 31, 2017
Advances granted during the period		
Goyal and Company (Construction) Pvt. Ltd.	125.00	-
	125.00	-
Advances repaid during the period		
Goyal and Company (Construction) Pvt. Ltd.	3.67	-
Tanmay Trilokchand Agarwal	237.13	-
Shivshankar Agarwal	237.19	-
Sandeep Agarwal	237.13	-
	715.12	-
Investment in Partnership Firms		
Capital Introduced		
Orchid Lakeview Developers	80.00	800.00
Shree Balaji Associates	30,905.23	43,182.00
Goyal Hariyana Construction	-	30.00
White Mountain	1,180.00	-
Goyal Hariyana Realty	3,170.00	200.00
Hariyana Air Products	130.32	108.64
	35,465.56	44,320.64
Capital Withdrawan		
Orchid Lakeview Developers	2,025.00	200.00
Shree Balaji Associates	30,168.50	38,605.50
Goyal Hariyana Construction	485.40	3,131.36
Hariyana Developers	-	1,441.97
Goyal Hariyana Realty	80.00	200.00
White Mountain	500.00	1,425.00
Hariyana Air Products	282.60	25.00
	33,541.50	45,028.83

b) Balances at the end of the year		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Advances granted			
Goyal and Company (Construction) Pvt. Ltd.	121.33	-	-
Tanmay Trilokchand Agarwal	-	232.54	-
Shivshankar Agarwal	-	232.54	-
Sandeep Agarwal	-	232.54	-
	121.33	697.62	-

Balances at the end of the year	March 31, 2018	As at March 31, 2017	April 1, 2016
<u>Investments Balance at the end of the period</u>			
- *In Associates*			
1. Goyal Hariyana Realty	4,621.11	1,069.39	945.91
2. Orchid Lakeview Developers	1,618.93	2,899.56	1,638.05
3. White Mountain	2,367.12	1,233.15	2,267.00
4. Whitefield Projects	4.20	4.20	4.20
5. Swastik Developers	538.39	480.70	429.20
6. Goyal Hariyana Constructions	-	466.76	2,924.98
- *In Other Partnership Firms*			
Shree Balaji Associates - Fixed Capital	0.25	0.25	0.25
Hariyana Developers - Current Capital	-	-	2.55
Shree Balaji Associates - Fixed Capital	1,301.96	601.15	-3,695.32
Hariyana Developers - Current Capital	-	-	1,439.42
	10,451.97	6,755.15	5,956.23

Note 40 : Financial assets and liabilities

Financial assets by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in												
- Mutual fund- Quoted		80.69									1,637.83	
- Equity shares- Quoted		0.00				0.00				0.00		
- Equity shares- Unquoted	0.00				0.00				0.00			
- Associates	9,149.76				6,153.75				8,209.33			
- Other Partnership Firms	1,302.21				601.40				-2,253.10			
Trade receivables				16.89				2,249.95				3,466.88
Loans				1,985.57				9,519.70				11,770.70
Cash & cash equivalents (including other bank balances)				4,463.73				57.43				111.60
Other financial assets				38.53				118.26				177.95
Total Financial assets	**10,451.97**	**80.69**	**-**	**6,504.71**	**6,755.15**	**0.00**	**-**	**11,945.34**	**5,956.2**	**1,637.83**	**-**	**15,527.12**

Financial liabilities by category

Particulars	As at March 31, 2018				As at March 31, 2017				As at April 1, 2016			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Borrowings				343.41				852.49				737.55
Trade payables				30,782.62				9,048.89				13,597.69
Other financial liabilities												
- Other financial liabilities				34.33				14.04				3.24
Total Financial liabilities	-	-	-	**31,160.36**	-	-	-	**9,915.42**	-	-	-	**14,338.48**

Note 41 : Fair value Hierarchy

Disclosures fair value measurement hierarchy for assets

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018 (Valuation date - March 31, 2018)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	80.69	-	-	80.69
Equity shares-Quoted	0.00	-	-	0.00
Assets disclosed at fair value				
Investment properties	-	-	257.02	257.02

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017 (Valuation date - March 31, 2017)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	-	-	-	-
Equity shares - Quoted	0.00	-	-	0.00
Assets disclosed at fair value				
Investment properties	-	-	270.46	270.46

Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016 (Valuation date - April 1, 2016)

Particulars	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets measured at fair value				
FVTPL investments				
Mutual fund-Quoted	1,637.83	-	-	1,637.83
Equity shares - Quoted	0.00	-	-	0.00
Assets disclosed at fair value				
Investment properties	-	-	277.64	277.64

Quantitative disclosures fair value measurement hierarchy for liabilities

Company does not have any financial liability which is measured either at Fair value through profit and loss account or measured at Fair value through other comprehensive income.

Note 42 : Financial risk management

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The loans and borrowings are primarily taken to finance and support the Company's operations. The Company's principal financial assets include investments, loans, cash and cash equivalents, trade receivables and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that 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. It is the Company's policy that no trading in fianancial instruments for speculative purposes may be undertaken.

1 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: interest rate risk, currency risk and other price risk, such as equity price risk or Net assset value ("NAV") risk in case of investment in mutual funds. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in basis points	Increase/(decrease) in profit before tax
March 31, 2018		
Rupee borrowings	+50	-0.87
	-50	0.87
March 31, 2017		
Rupee borrowings	+50	-3.23
	-50	3.23

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, i.e. when revenue or expense is denominated in a foreign currency.

Given below is the foreign currency exposure arising from the non derivative financial instruments:

Particulars	Foreign Currency Amount (In USD Millions) As at			Reporting Currency Amount (Rupees in Lakhs) As at		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
<u>Accounts Payable</u>						
USD	47.25	8.94	19.68	30,703.64	5,834.07	13,167.51

<u>Foreign currency sensitivity</u>

The following tables demonstrate the sensitivity to a reasonably possible change in EUR and USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2018	+5%	-1,535.18
	-5%	1,535.18
March 31, 2017	+5%	-291.70
	-5%	291.70

Other market risks

The Company's investments in various mutual funds, debentures and bonds are susceptible to market price risk arising from the uncertainity about future values / future NAV values of such mutual funds, debentures, bonds and preference shares. The Company manages such risk through diversification of such investments. Reports on the the investment portfolio are submitted to the Company's senior management on a regular basis that helps the senior management to take investment decisions.

Sensitivity impact

Particulars	Change in NSE/BSE index	Effect on profit before tax
As at March 31, 2018		
Investment in mutual funds	10%	8.07
	-10%	-8.07
As at March 31, 2017		
Investment in mutual funds	10%	-
	-10%	-

2 *Credit Risk*

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables

Customer credit risk is managed by the Company's internal policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on market feedback and credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in independent markets.

Trade receivables are non-interest bearing and are generally on 14 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

3 *Liquidity Risk*

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended						
March 31, 2018						
Borrowings (including current maturities of long-term borrowings)	-	343.41	-	-	-	343.41
Trade & other payables	-	78.98	30,703.64	-	-	30,782.62
Other financial liabilities	-	34.33	-	-	-	34.33
	-	-	-	-	-	-
March 31, 2017						
Borrowings (including current maturities of long-term borrowings)	-	154.87	-	697.62	-	852.49
Trade & other payables	-	17.99	9,030.90	-	-	9,048.89
Other financial liabilities	-	14.04	-	-	-	14.04
April 1, 2016	-	-	-	-	-	-
Borrowings (including current maturities of long-term borrowings)	-	30.13	62.07	645.35	-	737.55
Trade & other payables	-	115.57	13,482.12	-	-	13,597.69
Other financial liabilities	-	3.24	-	-	-	3.24

Note 43 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

Particulars		As at	
	March 31, 2018	March 31, 2017	April 1, 2016
Interest-bearing loans and borrowings (Note 17 & 21)	343.41	852.49	737.55
Trade Payables (Note 22)	30,782.62	9,048.89	13,597.69
Less: cash and cash equivalent (Note 11)	4,463.73	57.43	111.60
Net debt	**26,662.30**	**9,843.95**	**14,223.64**
Equity share capital (Note 15)	616.67	616.67	616.67
Other equity (Note 16)	11,938.44	10,961.61	10,018.63
Total capital	**12,555.11**	**11,578.28**	**10,635.30**
Capital and net debt	**39,217.41**	**21,422.22**	**24,858.94**
Gearing ratio (%)	***67.99%***	***45.95%***	***57.22%***

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and April 1, 2016.

Note 44 : Segment information

The Group's business segments are identified based on the business line of its units. Business segments of the group are primarily categorized as: Trading & Investment (Mumbai), Ship Breaking (Bhavnagar) and Industrial Oxygen Plant & Trading.

Particulars	Trading & Investment (Mumbai)	Ship Breaking (Bhavnagar)	Industrial Oxygen Plant & Trading	Total
i. Segment Revenue				
Gross Revenue	-	**15,717.02**	**-**	**15,717.02**
	16,361.64	*12,229.67*	*-*	*28,591.32*
Less: Intersegmental revenue	-	-	-	-
	-	-	-	-
Revenue from operations	**-**	**15,717.02**	**-**	**15,717.02**
	16,361.64	*12,229.67*	*-*	*28,591.32*
Other Income				**0.01**
				0.02
ii. Segment Results				
Total Segment Profit before Interest, Tax & Exceptional Items	**(143.52)**	**558.52**	**133.56**	**548.56**
	1,291.06	*(371.52)*	*1.89*	*921.44*
Interest Expenses				0.00
				0.01
Share of profit / (loss) of associates				0.01
				0.01
Exceptional Items				0.00
Profit before Tax				**548.57**
				921.44
Taxes				0.00
				(0.00)
Profit after Tax (including share of profit / (loss) of associates)				**548.57**
				921.44
iii. Segment Assets	**17,672.62**	**29,012.35**	**318.16**	**47,003.13**
	19,217.49	*2,523.04*	*335.57*	*22,076.11*
Investment in Equity Accounted Associates (included in above segment assets)				**0.09**
				0.06
iv. Segment Liabilities	**694.68**	**33,707.51**	**34.88**	**34,437.06**
	1,106.31	*9,350.31*	*36.32*	*10,492.94*

(Figures in italics are in respect of the previous year)*

a) Revenue from external sources includes income from sale of manufactured goods.

b) Carrying amount of segment assets comprises of non-current assets and current assets identified to respective segments.

Operating Revenue

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
- From Outside India	-	-
- From India	15,717.02	28,640.68

Productwise Revenue

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
- Waste & Scrap of Iron and Steel	6,061.43	9,684.54
- Hot Rolled Carbon Steel Strips	3,099.64	16,361.64
- Hot Rolled Coils	7,490.84	2,545.13
- Industrial Oxygen Gas	151.54	49.36

Note 45 : Basis of consolidation

1. The Consolidated Financial Statements relate to Hariyana Ship Breakers Limited (the Parent Company) and its subsidiary (the Parent Company and its subsidiaries together constitute "the Group"), its associates.

2. Principles of consolidation

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard 110 (IND AS 110) "Consolidated Financial Statements", Indian Accounting Standard 28 (IND AS 28) "Investments in Associates and Joint Ventures" prescribed under Section 133 of the Companies Act, 2013.

b) The Consolidated Financial Statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits have been fully eliminated.

c) Non-controlling interests in the net assets of consolidated subsidiary consists of the amount of equity attributable to the non controlling shareholders at the dates on which investments are made by the Parent Company in the subsidiary partnership firm and further movements in their share in the equity, subsequent to the dates of investments as stated above.

d) The following subsidiary is considered in the Consolidated Financial Statements:

Sr.No.	Name of the Subsidiary	Country of Incorporation	% of ownership interest		
			March 31, 2018	March 31, 2017	April 1, 2016
1	Hariyana Air Products	India	95.00%	95.00%	60.00%

e) The following associates have been considered in the preparation of Consolidated Financial Statements of the Group in accordance with IND AS 28 "Investments in Associates and Joint Ventures" (as per the Equity Method):

Sr.No.	Name of the Associates	Country of Incorporation	% of ownership interest		
			March 31, 2018	March 31, 2017	April 1, 2016
1	Goyal Hariyana Realty	India	50.00%	50.00%	50.00%
2	Orchid Lakeview Developers	India	33.33%	33.33%	33.33%
3	White Mountain	India	25.00%	25.00%	25.00%
4	Whitefield Projects	India	40.00%	40.00%	40.00%
5	Swastik Developers	India	33.33%	33.33%	33.33%
6	Goyal Hariyana Constructions	India	50.00%	50.00%	50.00%

3 Additional Information, as required under Schedule III to the Companies Act, 2013 entities consolidated as subsidiary and associates :

(Rs. in Lakhs)

		Net Assets		Share of Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
Sr. No.	Name of the Entity	As % Consolidated Net Assets	Amount (Rs. in in Lakhs)	As % Consolidated Profit or (Loss)	Amount (Rs. in Lakhs)	As % Consolidated Profit or (Loss)	Amount (Rs. in Lakhs)	As % Consolidated Profit or (Loss)	Amount (Rs. in Lakhs)
1	Hariyana Ship Breakers Limited	353013.44	443.60	6174807.31	606.60	100.00	0.00	6171916.14	606.60
	Indian Subsidiary								
2	Hariyana Air Products	225432.13	283.28	1223977.26	120.24	-	-	1223404.16	120.24
	Indian Associates (Investment as per the equity method)								
3	Goyal Hariyana Realty	36.77	0.05	1614733.73	158.63	-	-	1613977.67	158.63
4	Orchid Lakeview Developers	12.88	0.02	5255206.46	516.26	-	-	5252745.82	516.26
5	White Mountain	18.84	0.02	1943546.35	190.93	-	-	1942636.32	190.93
6	Whitefield Projects	0.03	0.00	-	-	-	-	-	-
7	Swastik Developers	4.28	0.01	-	-	-	-	-	-
8	Goyal Hariyana	0.00							
	Constructions								
	Sub Total	**578518.39**	**726.97**	**16212271.10**	**1592.67**	**100.00**	**0.00**	**16204680.11**	**1592.67**
	Add/ (Less): Effect of intercompany adjustments/ eliminations	(578418.39)	(726.84)	(7398772.70)	(726.84)	-	-	(7395308.39)	(726.84)
	Total	**100.00**	**0.13**	**8813498.40**	**865.82**	**100.00**	**0.00**	**8809371.72**	**865.82**

Notes:

Net Assets and Share of Profit or Loss for Parent Company, Subsidiaries and Associates are as per the Standalone/ Consolidated Financial Statements of the respective entities .

Note 46 : Contingent Liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
To the extent not acknowledged as debts :			
a. Disputed demand under :			
(i) Income tax	200.58	200.58	102.04
(ii) Sales tax	-	-	-
(iii) Excise duty	-	-	-

Notes:

1. The company do not anticipate any liability on account of counter guarantees given to bank for various loan facility availed by associated concerns.

2. The company does not anticipate any liability except above on account of pending income tax and sales tax assessments.

Note 47 : Leases

The Company has entered into agreements for taking on leave and license basis residential/office premises including furniture and fittings therein, as applicable, for a period ranging from 11 to 60 months. The specified disclosure in respect of these agreements is given below:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Lease payments recognized in the statement of profit and loss	0	0

Note 48 : Earnings per Share (EPS)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic & Diluted EPS		
Computation of Profit (Numerator)		
(i) Profit/(loss) from continuing operations	982.84	942.20
Weighted Average Number of Shares (Denominator)		
Weighted average number of Equity shares of Rs.10 each used for calculation of basic and diluted earnings per share	6,166,667	6,166,667
Basic & Diluted EPS (in Rupees)		
(i) Continuing operations	15.94	15.28

Note 49 : Expenditure for corporate social responsibility activities

During the year ended March 31, 2018, the company has spent Rs. 19 Lakhs towards Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 and Rules thereon by way of contribution to various Trusts / NGOs / Societies / Agencies.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Amount Required to be spent by the company	18.73	25.17
Amount spent during the year on :		
(a) Construction / Acquisition of any asset		
(b) On Purpose other than (a) above	19.00	-
(c) Not Utilized amount	-	25.17

1. Above includes a contribution of Rs.10.00 Lakhs (2016-17: Rs. Nil) to Sau Mathurabai Bhausaheb Thorat Sevabhavi is registered trust under section 80G(5)(vi) of the Income Tax Act, 1961 for running charitable hospital in the Taluka of Igatpuri in Nashik District and Rs.9.00 Lakhs to Priyadarshani Foundation is registered trust under section 80G(5)(vi) of the Income Tax Act, 1961 for quality education to tribal children in the taluka of Igatpuri in Nashik District.

2. The Company does not carry any provisions for Corporate Social Responsibility expenses for current year and previous year.

Note 50 : Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

The company has no information as to whether any of its suppliers constitute micro, small and medium enterprises as per Micro, Small & Medium Enterprises Development Act, 2006 and therefore, the amount due to such suppliers has not been identified.

Note 51 :Payment to Auditors

Details of payment to Auditors are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fees and tax audit fees	1.99	2.18
Certification and other services	0.18	0.17
Total	**2.17**	**2.36**

Note 52 : Other Notes

i) The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the consolidated financial statements of the Company prepared in accordance with previous GAAP.

As per our report of even date

For P. D. Goplani & Associates
Chartered Accountants
(Firm Reg. No. 118023W)

For and on behalf of the Board
Hariyana Ship Breakers Limited

Sd/-
CA Prem Goplani
Partner
M. No. 103765

Sd/-
Shantisarup Reniwal
Director
DIN: 00040355

Sd/-
Rakesh Reniwal
Director
DIN: 00029332

Sd/-
Swati Chauhan
Company Secretary

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018