

# **THE SUKHJIT STARCH & CHEMICALS LIMITED**

## **ACCOUNTS OF THE SUBSIDIARY COMPANIES**

**THE VIJOY STEEL & GENERAL MILLS CO. LTD. (CIN : U19113PB1945PLC001956)**  
**SCOTT INDUSTRIES LIMITED (CIN : U18101PB1997PLC020568)**  
**SUKHJIT MEGA FOOD PARK & INFRA LIMITED (CIN : U45209PB2015PLC039547)**

---

**ANNUAL REPORT 2017-2018**

---

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

---

### BOARD OF DIRECTORS

Sh. Raman Narang  
Sh. V.K. Suri  
Sh. S.D Patel

### AUDITORS

M/s N.K. Gaba & Co.  
Chartered Accountants  
Railway Road,  
Phagwara.

### REGISTERED OFFICE

G.T. Road,  
Phagwara-144 401.  
Distt. Kapurthala (Pb.)

---

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present before you the 72nd Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2018.

### 1. FINANCIAL PERFORMANCE

The Company has incurred operational loss for the year under reference due to lower productivity. It expects to improve upon its performance during the running year.

#### Indian Accounting Standards 2015 :

The financial statements of the Company upto the year ended 31st March, 2017 had been prepared & presented according to Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 as amended. The annexed financial statements comply with the Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013/ Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended. These financial statements are the first statements of the Company under the Ind AS and provide the necessary details concerning the transition from previous GAAP to Ind AS.

### 2. DIVIDEND

The Board of Directors has not recommended any dividend for the financial year ended 31st March, 2018.

### 3. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2018, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2018 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 4. DIRECTORS

Sh. Raman Narang retires by rotation and being eligible, the Board recommends his appointment.

### 5. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency.

**6. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company. However, the transactions with Holding Company is incurred after due appraisal at Director's level, which are in the ordinary course of business and are on arm's length price, in terms of Ind AS-24 are given as per notes to Accounts.

**7. MEETINGS OF THE BOARD**

The Board of Directors held four meetings during the year under reference.

**8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

The Company has neither given any loan / Guarantee nor made any Investment / provide any Security.

**9. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as 'Annexure A' of this report.

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

(a) **Conservation of Energy** : Your company continues to put in its efforts to conserve energy under Energy Conservation Programme and through better utilization of equipment and proper production planning.

(b) **Technical arrangements** : The company has not entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

<b>(c) Foreign Exchange Earnings &amp; Outgo</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>(₹ lacs)</b>	<b>(₹ lacs)</b>
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) **Particulars of Employees**: There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 60,00,000/- p.a. or ₹ 5,00,000/- p.m. if employed for a part of the year.

**11. AUDITORS AND AUDITOR'S REPORT**

**Statutory Auditors:**

M/s N.K. Gaba & Co., Chartered Accountants, The retiring Auditors of the company, have confirmed their eligibility to be re-appointed as statutory auditors of the company at ensuing Annual General Meeting. The board of Directors recommends the re-appoint of M/s N.K. Gaba & Co. chartered Accountants as Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

The Auditor's report given by M/s. N.K. Gaba & Co., Chartered Accountants, does not have any qualification, reservation or adverse remark.

**12. ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the bankers, authorities, customers, members and other business associations. They place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company for its success.

Yours truly,  
For and on behalf of the Board,  
Sd/-  
**RAMAN NARANG**  
Chairman

Place : Phagwara  
Dated : 29th May, 2018

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

### ANNEXURE 'A'

#### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

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

#### I. REGISTRATION & OTHER DETAILS:

i.	CIN	U19113PB1945LC001956
ii.	Registration Date	09-07-1945
iii.	Name of the Company	The Vijoy Steel & General Mills Co. Ltd.
iv.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office & contact details	G.T. Road, PHAGWARA, DISTT KAPURTHALA, 144401, INDIA
vi.	Whether listed company	No
vii.	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No	Name & Description of main products/services	NIC Code of the Product /service
1	Manufacture of general purpose machinery	2819

#### III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S.No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Sukhjot Starch & Chemicals Limited	L15321PB1944PLC001925	Holding	96.17	SEC 2(87)

#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning 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		
<b>A. Promoters</b>										
(1) Indian	-	3,200	3,200	1.39	-	3,200	3,200	1.39	-	-
a) Individual/HUF										
b) Central Govt. or State Govt.										
c) Bodies Corporates	-	2,21,800	2,21,800	96.17	-	2,21,800	2,21,800	96.17	-	-
d) Bank/FI										
e) Any other										
<b>Total Shareholding of Promoter (A)</b>	-	2,25,000	2,25,000	97.55	-	2,25,000	2,25,000	97.55	-	-

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

Category of Shareholders	No. of Shares held at the beginning 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		
<b>B. PUBLIC SHAREHOLDING</b>										
<b>Non Institutions</b>										
a) Bodies corporates										
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	-	5,640	5,640	2.45	-	5,640	5,640	2.45	-	-
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)</b>	-	5,640	5,640	2.45	-	5,640	5,640	2.45	-	-
<b>Grand Total (A+B)</b>	-	2,30,640	2,30,640	100	-	2,30,640	2,30,640	100	-	-

### (V) SHARE HOLDING OF PROMOTERS

S.No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
	<b>Individual</b>							
1	I K Sardana	200	0.09	0	200	0.09	0	-
2	K K Sardana	500	0.22	0	500	0.22	0	-
3	Shashi Jain	2000	0.87	0	2000	0.87	0	-
4	V.K. Suri	500	0.22	0	500	0.22	0	-
		<b>3200</b>	<b>1.39</b>	<b>0</b>	<b>3200</b>	<b>1.39</b>	<b>0</b>	<b>-</b>
	<b>BODIES CORPORATES</b>							
1	SUKHJIT STARCH & CHEMICALS LIMITED	221800	96.17	0	221800	96.17	0	-
		<b>221800</b>	<b>96.17</b>	<b>0</b>	<b>221800</b>	<b>96.17</b>	<b>0</b>	<b>-</b>
	<b>Total</b>	<b>225000</b>	<b>96.47</b>	<b>0</b>	<b>225000</b>	<b>96.47</b>	<b>0</b>	<b>-</b>

### (VI) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) / End of year (31.03.2018)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
	There is no change during the year under reference in the promoters' shareholding							

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

### (VII) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) /End of year (31.03.2018)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Shanta Sardana	600	0.26	01.04.2017				
					NIL	No Change		
		<b>600</b>	<b>0.26</b>	<b>31.03.2018</b>			<b>600</b>	<b>0.26</b>
2	Sirinivas Mukand Parulekar	500	0.22	01.04.2017				
					NIL	No Change		
		<b>500</b>	<b>0.22</b>	<b>31.03.2018</b>			<b>500</b>	<b>0.22</b>
3	Govind Kumar	450	0.20	01.04.2017				
					NIL	No Change		
		<b>450</b>	<b>0.20</b>	<b>31.03.2018</b>			<b>450</b>	<b>0.20</b>
4	Ram Muri Duggal	400	0.17	01.04.2017				
					NIL	No Change		
		<b>400</b>	<b>0.17</b>	<b>31.03.2018</b>			<b>400</b>	<b>0.17</b>
5	Charanjit lal Duggal	200	0.09	01.04.2017				
					NIL	No Change		
		<b>200</b>	<b>0.09</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.09</b>
6	Kartar Singh	200	0.09	01.04.2017				
					NIL	No Change		
		<b>200</b>	<b>0.09</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.09</b>
7	Chaman Lal Grover	200	0.09	01.04.2017				
					NIL	No Change		
		<b>200</b>	<b>0.09</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.09</b>
8	Gurdas Mal	200	0.09	01.04.2017				
					NIL	No Change		
		<b>200</b>	<b>0.09</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.09</b>
9	Mool Raj	200	0.09	01.04.2017				
					NIL	No Change		
		<b>200</b>	<b>0.09</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.09</b>
10	Vijay Kumar	100	0.04	01.04.2017				
					NIL	No Change		
		<b>100</b>	<b>0.04</b>	<b>31.03.2018</b>			<b>100</b>	<b>0.04</b>

### (VIII) Shareholding of Directors & KMP

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) /End of year (31.03.2018)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	Raman Narang ( Director)	2000	0.87	01.04.2017				
					NIL	No Change		
		<b>2000</b>	<b>0.87</b>	<b>31.03.2018</b>			<b>2000</b>	<b>0.87</b>
2	V K Suri ( Director)	500	0.00	01.04.2017				
					NIL	No Change		
		<b>500</b>	<b>0.22</b>	<b>31.03.2018</b>			<b>500</b>	<b>0.22</b>
3	S.D. Patel ( Director)	-	-	01.04.2017				
					NIL	No Change		
		<b>-</b>	<b>-</b>	<b>31.03.2018</b>			<b>-</b>	<b>-</b>

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

### IX. INDEBTEDNESS

(in lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits Indebtedness	Total
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

### X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
2	Commission ( as % of profit)				
3	Others ( Retirement Benefits)				
	<b>Total (A)</b>				
	Ceiling as per the Act				

#### B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross Salary	CFO	Company Secretary	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
2	Others ( Retirement Benefits)			
	<b>Total</b>			

### XI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
The Vijoy Steel & General Mills Co. Ltd.  
G.T. Road, Phagwara.

**REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying Financial Statements of THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit 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 Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.



**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of Balance Sheet, of the State of affairs of the Company as at 31st March 2018;
- (ii) in the case of Profit & Loss Statement, of the Loss of the company for the year ended on that date;
- (iii) In the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date; and
- (iv) of the Statement of Changes in Equity for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :**

- 1. As required by the Companies (Audit and Auditors) Rules, 2014, a report on the internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is in Annexure A
- 2. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

Further to our comments in the Annexure B referred to above, we report that:

- (a) We have obtained all the information as required and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
- (c) The Balance Sheet, Profit & Loss Statement, Cash Flow Statement and Statement of Changes in Equity, referred to in this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors, as on 31st March 2018, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

**For N.K. Gaba & Co.**  
Chartered Accountants  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

Place : Phagwara  
Dated : 20th May, 2018

**Annexure 'A' to the Independent Auditor's Report**

**Report on the Internal Financial Controls Over Financial Reporting 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 THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **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 Accountants of India and the Standards on Auditing prescribed 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 our information and according to the explanations given to us, 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 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Annexure 'B' to the Independent Auditor's Report**

The Annexure B referred to in the Auditors' Report to the members of THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA for the year ended 31st March 2018. We report that:

- 1 The Company has maintained records showing quantitative details of Fixed Assets. The physical verification of Fixed Assets is done by the management at reasonable intervals. The company during the year has not disposed off any Fixed Asset, affecting its going concern status. The Title Deeds of the immovable property are held in the name of the Company.
- 2 As explained to us, The management of the Company has conducted physical verification of inventory at regular intervals and no material discrepancies were noticed on physical verification.  
The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 3 The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 5 According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- 6 The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

---

- 7 According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, ESI, Investor Education and Protection Fund, Sales-tax, Wealth tax, Service Tax, Income Tax, Customs duty, VAT and GST etc.  
According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service Tax, Excise, Wealth tax and GST which have not been deposited with the appropriate authorities on account of any dispute.
- 8 In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks , government and debenture holders
- 9 The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- 10 According to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers or employees, has been noticed or reported during the course of our audit.
- 11 11. The Company has not paid any managerial remuneration.
- 12 The Company is not a Nidhi Company.
- 13 13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable indian accounting standards.
- 14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15 The Company has not entered into any non-cash transactions with directors or persons connected with them.
- 16 The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

Place : Phagwara

Dated : 20th May, 2018

## The Vijoy Steel & General Mills Co. Ltd., Phagwara

### BALANCE SHEET AS ON 31ST MARCH, 2018

	NOTE	AS ON 31.3.2018 (₹ LACS)		AS ON 31.3.2017 (₹ LACS)		AS ON 31.3.2016 (₹ LACS)	
<b>ASSETS</b>							
<b>1. NON CURRENT ASSETS</b>							
(a) Property, Plant and Equipment	3	18.42		20.33		21.34	
(b) Deferred Tax Asset (net)		8.66		7.47		5.17	
(c) Other Non Current Assets							
(i) Security deposits	4	<u>3.62</u>	30.70	<u>3.62</u>	31.42	<u>3.62</u>	30.13
<b>2. CURRENT ASSETS</b>							
(a) Inventories	5	38.03		48.58		73.02	
(b) Financial Assets							
(i) Trade Receivables	6	0.34		0.18		-	
(ii) Cash & Cash Equivalents	7	1.11		1.35		2.72	
(iii) Loans & advances	8	<u>0.97</u>	<u>40.45</u>	<u>0.54</u>	<u>50.65</u>	<u>0.25</u>	<u>76.00</u>
Total Assets			<u>71.15</u>		<u>82.07</u>		<u>106.13</u>
<b>EQUITY AND LIABILITIES</b>							
<b>1. EQUITY</b>							
(a) Equity Share Capital	9	23.06		23.06		23.06	
(b) Other Equity	10	<u>-16.15</u>	6.91	<u>-9.23</u>	13.83	<u>-2.64</u>	20.42
<b>2. LIABILITIES</b>							
<b>(A) NON CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(b) Provisions	11	<u>6.57</u>	6.57	<u>5.56</u>	5.56	<u>6.39</u>	6.39
<b>(B) CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(i) Trade Payables	12	6.59		7.25		8.62	
(b) Other Non Current Liabilities	13	<u>51.08</u>	<u>57.67</u>	<u>55.43</u>	<u>62.68</u>	<u>70.70</u>	<u>79.32</u>
Total			<u>71.15</u>		<u>82.07</u>		<u>106.13</u>

The accompanying notes are intergal part of these financial statements

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS

RAMAN NARANG
V.K. SURI
S.D. PATEL

Place : Phagwara  
Dated : 20th May, 2018

The Vijoy Steel & General Mills Co. Ltd., Phagwara

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

	NOTE	FOR THE YEAR ENDED 31.03.2018 (₹ LACS)	FOR THE YEAR ENDED 31.03.2017 (₹ LACS)
1. Revenue From Operations	14	57.56	68.87
2. Other Income		-	-
<b>Total Revenue</b>		<u>57.56</u>	<u>68.87</u>
3. Expenses			
Cost of materials consumed	15	23.41	23.04
Change in Inventories of finished goods & work in progress	16	5.29	12.21
Employees Benefits Exps.	17	26.54	27.52
Depreciation & Amortisation	18	1.93	2.40
Other Expenses	19	8.50	12.59
<b>Total Expenses</b>		<u>65.67</u>	<u>77.76</u>
4. Profit Before Exceptional Items and Tax (1-2)		(8.11)	(8.89)
Exceptional Items		-	-
5. Profit/Loss Before Tax		(8.11)	(8.89)
6. Provision for Tax			
Current Tax		-	-
Deferred Tax		1.19	2.30
7. Profit/Loss for the periods from Continuing Operation		(6.92)	(6.59)
8. Profit/Loss from Discontinued Operations		-	-
9. Profit/Loss for the Period		(6.92)	(6.59)
10. Other Comprehensive Income		-	-
11. Total Comprehensive Income		(6.92)	(6.59)
12. Earnings Per Share	20		
(i) Basic		(3.00)	(2.86)
(ii) Diluted		(3.00)	(2.86)
Profit brought forward		(24.27)	(17.68)
Add : Current Year Profit		(6.92)	(6.59)
Bal. carried over to B/S		<u>(31.19)</u>	<u>(24.27)</u>

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS { RAMAN NARANG  
V.K. SURI  
S.D. PATEL

Place : Phagwara  
Dated : 20th May, 2018

**The Vijoy Steel & General Mills Co. Ltd., Phagwara**

**STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018**

(₹ LACS)

**A. EQUITY SHARE CAPITAL**

Bal at beginning of reporting period, i.e. 1st April, 2016	Changes in Equity Share Capital during 2016-17	Balance at end of reporting period, i.e. 31st March 2017	Changes in Equity Share Capital during 2016-17	Balance at end of reporting period, i.e. 31st March 2018
23.06	-	23.06	-	23.06

**B. OTHER EQUITY**

	Bal at beginning of reporting period, i.e. 1st April, 2016	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2017
<b>As at 31st March 2017</b>					
<b>Reserve &amp; Surplus</b>					
Capital Reserve	0.14	-	-	-	0.14
General Reserve	14.90	-	-	-	14.90
Profit & Loss Account	(17.68)	(6.59)	-	-	(24.27)
<b>Total</b>	<b>(2.64)</b>	<b>(6.59)</b>	<b>-</b>	<b>-</b>	<b>(9.23)</b>

	Bal at beginning of reporting period, i.e. 1st April, 2017	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2018
<b>As at 31st March 2018</b>					
<b>Reserve &amp; Surplus</b>					
Capital Reserve	0.14	-	-	-	0.14
General Reserve	14.90	-	-	-	14.90
Profit & Loss Account	(24.27)	(6.92)	-	-	(31.19)
<b>Total</b>	<b>(9.23)</b>	<b>(6.92)</b>	<b>-</b>	<b>-</b>	<b>(16.15)</b>

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ RAMAN NARANG  
V.K. SURI  
S.D. PATEL

Place : Phagwara  
Dated : 20th May, 2018

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

	For the Year Ended 31st March, 2018 (₹ lacs)	For the Year Ended 31st March, 2017 (₹ lacs)
<b>A. NET PROFIT BEFORE TAX</b>	(8.11)	(8.89)
<b>Adjustments for</b>		
Depreciation less Depreciation w/back	1.93	2.40
Provision for gratuity	1.02	(0.83)
Operating Profit before Working Capital Changes (A)	<u>(5.16)</u>	<u>(7.33)</u>
<b>Adjustments for</b>		
Receivables	(0.59)	(0.47)
Inventories	10.55	24.45
Current Liabilities (B)	<u>(5.01)</u>	<u>(16.63)</u>
<b>Cash Generated from Operations (A-B)</b>	<u>4.95</u>	<u>7.34</u>
Income Tax & FBT for the period	(0.21)	0.02
	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (C)</b>	<u>(0.21)</u>	<u>(0.02)</u>
<b>CASH FROM FINANCING &amp; INVESTING ACTIVITIES</b>		
Increase/Decrease in Fixed assets	(0.03)	(1.39)
Increase/Decrease in Security Deposits	-	-
Increase/Decrease in Share Capital	-	-
Increase/Decrease in Reserve & Surplus	-	-
<b>NET CASH FROM FINANCING &amp; INVESTING ACTIVITIES (D)</b>	<u>(0.03)</u>	<u>(1.39)</u>
Net increase in Cash and Cash Equivalents (C+D)	(0.24)	(1.37)
Opening Cash and Cash Equivalents	<u>1.35</u>	<u>2.72</u>
Closing Cash and Cash Equivalents	<u>1.11</u>	<u>1.35</u>

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ RAMAN NARANG  
V.K. SURI  
S.D. PATEL

Place : Phagwara  
Dated : 20th May, 2018



**SIGNIFICANT ACCOUNTING POLICIES / NOTES ON FINANCIAL STATEMENTS**

**1. CORPORATE INFORMATION**

The Vijoy Steel & General Mills Co.Ltd. (The Company) is Public Limited Company incorporated and domiciled in India. The address of its registered office is Sukhjait Road, Phagwara -144401 Distt. Kapurthala(Punjab). The Company engaged in manufacturing of agricultural implements, Industrial machinery & its parts etc. The Standalone Financial Statements for the year ended March 31, 2018 were approved by the Board of Directors on 29.05.2018.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Comparative information on first time adoption of IND AS**

**Transition date**

The financial statements for the year ended 31st March, 2018 are the first to have been prepared in accordance with IND AS. Opening Balance sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016.

**(b) Method of Accounting**

The company maintains its financial statements on accrual basis and in accordance with the historical cost convention generally accepted accounting practice and applicable Indian Accounting Standards as well as the relevant provisions of Companies Act, 2013. However, certain escalation/claim which are not ascertainable or unacknowledged are accounted for on their being acknowledged.

**(c) Fixed Assets**

Fixed assets are stated at Original cost including duties, taxes, freight and any other incidental acquisition expenses and revenue expenditure incurred for the period prior to commercial production is considered as a part of the cost of assets.

**(d) Depreciation**

Depreciation is provided on Straight Line Method, Calculated as per the useful life provided under Companies Act, 2013.

**(e) Inventory**

Inventories are avlued at cost or net realizable value, whichever is less.

**(f) Foreign Currency Transactions**

There were no foreign currency transactions during the year.

**(g) Taxation**

Deffered Tax is provided for during the year in accordance with the Indian Accounting Standard, accounting for taxes on income, issued by The Institute of Chartered Accountants of India. No provision for income tax is required as the company has unabsorbed accumulated losses.

**(h) Auditors remuneration (including service-tax where applicable)**

	Current Year (₹ lacs)	Previous Year (₹ lacs)
For Statutory Audit	0.16	0.16
For Tax audit	0.08	0.08
For Certification	0.06	0.06
	<u>0.30</u>	<u>0.30</u>

**(i) RELATED PARTY DISCLOSURE**

(a) Party which significantly influence the company :

M/s THE SUKHJIT STARCH & CHEMICALS LIMITED, PHAGWARA (HOLDING COMPANY)

(b) Parties which are significantly influenced by the company : NIL

(c) Related Party Disclosures

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR (₹ Lacs)
Sale of Goods	17.34	61.81
Purchase of Goods	—	—
Rent Paid	0.06	0.06

(j) Figures for the previous year have been recast / re-grouped wherever necessary.

(k) Provision for Gratuity has been made in accordance with Indian Accounting Standard 19, "Employee Benefits".

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**FIXED ASSETS AS ON MARCH 31, 2018**

(₹ LACS)

**NOTE : 3**

Particulars	GROSS BLOCK		DEPRECIATION BLOCK			NET BLOCK		
	Cost As on 1.4.2017	Additions	Cost As on 31.03.18	Upto 31.03.2017	For the Year	Upto 31.03.2018	As on 31.3.2018	As on 31.3.2017
	Land	5.54	-	5.54	-	-	-	5.54
Building	9.10	-	9.10	5.58	0.11	5.69	3.41	3.52
Electric Fitting	7.05	-	7.05	6.88	-	6.88	0.17	0.17
Furniture	0.73	-	0.73	0.67	0.01	0.69	0.04	0.05
Machinery	44.34	-	44.34	33.81	1.68	35.50	8.84	10.53
Cycle	0.01	-	0.01	0.01	-	0.01	-	-
Generator	1.45	-	1.45	1.45	-	1.45	0.01	0.01
Laboratory	0.19	-	0.19	0.19	-	0.19	-	-
Library Books	0.01	-	0.01	0.01	-	0.01	-	-
Patterns	3.82	-	3.82	3.74	-	3.74	0.07	0.07
Tools & Tackles	2.05	-	2.05	1.78	0.08	1.86	0.19	0.27
Tubewell	0.98	-	0.98	0.90	0.03	0.93	0.05	0.08
Water Line & Hand Pump	0.43	-	0.43	0.43	-	0.43	0.01	0.01
Weight Bridge	0.21	0.03	0.24	0.16	0.01	0.17	0.07	0.06
Computer	0.45	-	0.45	0.44	-	0.44	0.01	0.01
<b>Total</b>	<b>76.38</b>	<b>0.03</b>	<b>76.40</b>	<b>56.05</b>	<b>1.93</b>	<b>57.99</b>	<b>18.42</b>	<b>20.33</b>
Previous Year	<b>74.99</b>	<b>1.39</b>	<b>76.38</b>	<b>53.65</b>	<b>2.40</b>	<b>56.05</b>	<b>20.33</b>	<b>21.34</b>

Auditors' Report

As per our separate report of even date  
For N.K. Gaba & Co.

Chartered Accountants,  
Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

Place : Phagwara

Dated : 20th May, 2018

For and On behalf of the Board

DIRECTORS

V.K. SURI

S.D. PATEL

RAMAN NARANG

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**FIXED ASSETS AS ON MARCH 31, 2017**

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	COST AS ON 1.4.2016	ADDITIONS (DELETIONS) DURING YEAR	UPTO 1.04.2016	FOR THE YEAR	AS ON 31.3.2017	AS ON 31.3.2016
Building	9.10	--	5.46	0.12	3.52	3.64
Computer	0.45	--	0.42	0.02	0.01	0.04
Cycle	0.01	--	0.01	--	--	--
Electric Fitting	7.05	--	6.82	0.06	0.17	0.23
Furniture & Fixture	0.73	--	0.65	0.02	0.05	0.07
Generator	1.45	--	1.44	--	0.01	0.01
Laboratory A/c	0.19	--	0.19	--	--	--
Land	5.54	--	--	--	5.54	5.54
Library Books	0.01	--	0.01	--	--	--
Machinery	42.95	1.39	31.79	2.02	10.53	11.16
Patterns	3.82	--	3.73	0.02	0.07	0.09
Tools & Tackles	2.05	--	1.73	0.06	0.27	0.33
Tubewell	0.98	--	0.84	0.07	0.08	0.15
Water Line & Hand Pump	0.43	--	0.42	--	0.01	0.01
Weight Bridge	0.21	--	0.14	0.01	0.06	0.07
<b>Total</b>	<b>74.99</b>	<b>1.39</b>	<b>53.65</b>	<b>2.40</b>	<b>20.33</b>	<b>21.34</b>
<b>Previous Year</b>	<b>74.99</b>	<b>--</b>	<b>50.66</b>	<b>2.99</b>	<b>21.34</b>	<b>24.33</b>

NOTE : 3

(₹ LACS)

For and On behalf of the Board

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N

Sd/-

(N.K. Gaba)  
Partner  
Mem. No. 82375

Place : Phagwara  
Dated : 20th May, 2018

RAMAN NARANG  
V.K. SURI  
S.D. PATEL  
DIRECTORS

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**FIXED ASSETS AS ON MARCH 31, 2016**

(₹ LACS)

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	COST AS ON 1.4.2015	ADDITIONS (DELETIONS) DURING YEAR	UPTO 1.04.2015	FOR THE YEAR ADJUSTMENTS	AS ON 31.3.2016	AS ON 31.3.2015
Building	9.10	--	5.34	0.12	3.64	3.76
Computer	0.45	--	0.35	0.06	0.04	0.10
Cycle	0.01	--	0.01	--	--	--
Electric Fitting	7.05	--	6.74	0.08	0.23	0.31
Furniture & Fixture	0.73	--	0.63	0.03	0.07	0.10
Generator	1.45	--	1.44	--	0.01	0.01
Laboratory A/c	0.19	--	0.19	--	--	--
Land	5.54	--	--	--	5.54	5.54
Library Books	0.01	--	0.01	--	--	--
Machinery	42.95	--	29.33	2.47	11.16	13.63
Patterns	3.82	--	3.71	0.02	0.09	0.11
Tools & Tackles	2.05	--	1.65	0.07	0.33	0.40
Tubewell	0.98	--	0.72	0.12	0.15	0.27
Water Line & Hand Pump	0.43	--	0.41	0.01	0.01	0.02
Weight Bridge	0.21	--	0.13	0.02	0.07	0.09
<b>Total</b>	<b>74.99</b>	<b>--</b>	<b>50.66</b>	<b>2.99</b>	<b>21.34</b>	<b>24.33</b>
<b>Previous Year</b>	<b>71.34</b>	<b>3.65</b>	<b>47.25</b>	<b>3.41</b>	<b>24.33</b>	<b>24.09</b>

NOTE : 3

For and On behalf of the Board

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N

Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

DIRECTORS

[ RAMAN NARANG  
V.K. SURI  
S.D. PATEL ]

Place : Phagwara  
Dated : 20th May, 2018

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)	AS ON 31.3.2016 (₹ LACS)
<b>4. SECURITY DEPOSITS</b>			
Security with P.S.E.B.	3.01	3.01	3.01
Security with Telephone Deptt.	0.07	0.07	0.07
Security with PSI & Exports Corp	0.45	0.45	0.45
Security (LPG cylinder)	0.08	0.08	0.08
	<u>3.62</u>	<u>3.62</u>	<u>3.62</u>
<b>5. INVENTORIES</b>			
Raw Material	10.60	15.86	28.10
Finished Goods	27.43	32.72	44.93
	<u>38.03</u>	<u>48.58</u>	<u>73.02</u>
<b>6. TRADE RECEIVABLES</b>			
Less than Six Month	0.34	0.18	-
More than Six Month	-	-	-
	<u>0.34</u>	<u>0.18</u>	<u>-</u>
<b>7. CASH &amp; CASH EQUIVALENTS</b>			
Cash in Hand	0.35	0.24	0.71
Punjab National Bank CA-038300210	0.76	1.11	2.01
	<u>1.11</u>	<u>1.35</u>	<u>2.72</u>
<b>8. SHORT TERM LOANS &amp; ADVANCES</b>			
Advances to Employees	0.47	0.54	0.25
Trade Advances	0.50	-	-
	<u>0.97</u>	<u>0.54</u>	<u>0.25</u>
<b>9. EQUITY SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
2,50,000 Equity Shares of ₹ 10/- each each fully paid	<u>25.00</u>	<u>25.00</u>	<u>25.00</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>			
230640 Equity Shares of ₹ 10/- each fully paid (221800 Equity shares held by Holding Co.)	<u>23.06</u>	<u>23.06</u>	<u>23.06</u>
	<u>23.06</u>	<u>23.06</u>	<u>23.06</u>
<b>10. OTHER EQUITY</b>			
Capital Reserve	0.14	0.14	0.14
General Reserve	14.90	14.90	14.90
Profit & Loss Account	(31.19)	(24.27)	(17.68)
	<u>(16.16)</u>	<u>(9.23)</u>	<u>(2.64)</u>
<b>11. LONG TERM PROVISIONS</b>			
Provision for gratuity	6.57	5.56	6.39
	<u>6.57</u>	<u>5.56</u>	<u>6.39</u>
<b>12. TRADE PAYABLES</b>			
Trade payable for goods	1.84	2.50	3.24
Trade payable for Expense	4.75	4.76	5.37
	<u>6.59</u>	<u>7.25</u>	<u>8.62</u>
<b>13. OTHER CURRENT LIABILITIES</b>			
Advances from Holding Co.	51.08	55.43	7.70
	<u>51.08</u>	<u>55.43</u>	<u>7.70</u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)
<b>14. REVENUE FROM OPERATIONS</b>		
VAT Sales	35.46	68.87
GST Sales	<u>22.10</u>	<u>-</u>
	<u>57.56</u>	<u>68.87</u>
<b>15. COST OF MATERIALS CONSUMED</b>		
Opening Stock of Raw Material	15.86	28.10
Add : Purchases	<u>18.15</u>	<u>10.80</u>
	<u>34.01</u>	<u>38.90</u>
Less : Purchase Return	-	-
Less : Closing Stock of Raw Material	<u>10.60</u>	<u>15.86</u>
	<u>23.41</u>	<u>23.04</u>
<b>16. CHANGE IN INVENTORIES OF FINISHED GOODS</b>		
Opening Stock of Finished Goods	32.72	44.93
Closing Stock of Finished Goods	<u>27.43</u>	<u>32.72</u>
	<u>5.29</u>	<u>12.21</u>
<b>17. EMPLOYEES BENEFITS EXPENSES</b>		
Salary & Wages	20.64	21.54
Contribution to PF & ESI etc.	2.36	2.66
Other Payments	3.47	3.32
Pb Labour welfare fund	<u>0.06</u>	<u>-</u>
	<u>26.54</u>	<u>27.52</u>
<b>18. DEPRICIATION &amp; AMORTISATION EXPS</b>		
Deprication	<u>1.93</u>	<u>2.40</u>
	<u>1.93</u>	<u>2.40</u>
<b>19. OTHER EXPENSES</b>		
(a) Manufacturing Expenses		
Freight & Cartage	0.36	0.44
Consumable Store	1.30	6.60
Power & Fuel Chagres	<u>4.10</u>	<u>3.56</u>
	<u>5.76</u>	<u>10.61</u>
(b) Administration, Selling & Other Expenses		
Advertisement	0.59	0.21
Auditors' Remuneration	0.30	0.30
Donation	0.11	-
Fees & Taxes	0.19	0.21
General Expenses	0.38	0.62
Printing & Stationery	0.06	0.03
Rent	0.06	0.06
Repair & Replacements	0.25	0.14
Telephone Expenses	0.08	0.09
Travelling & Conveyance	0.35	0.34
License fees	0.03	-
Bank Charges	-	-
Computer Expenses	0.04	-
Water & Sewarge Exp	<u>0.30</u>	<u>-</u>
	<u>2.74</u>	<u>1.99</u>
<b>20. EARNING PER SHARE</b>		
Profit After Tax (in ₹)	<b>(6,92,241.07)</b>	<b>(6,58,885.00)</b>
No. of Shares	<b>230640</b>	<b>230640</b>
Earning Per Share (Basic & Diluted)	<b>(3.00)</b>	<b>(2.86)</b>

**BOARD OF DIRECTORS**

Sh. I.K. Sardana  
Sh. K.K. Sardana  
Sh. V.K. Suri

**AUDITORS**

M/s N.K. Gaba & Co.  
Chartered Accountants  
Railway Road, Phagwara.

**REGISTERED OFFICE**

Sukhjait Road,  
Phagwara-144 401.  
Distt. Kapurthala (Pb.)

---

**DIRECTORS' REPORT**

Dear Share Holders:

Your Directors are pleased to present before you the 21st Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2018.

**1. FINANCIAL PERFORMANCE**

The company has shut down its operations owing to huge losses over the years. Most of its assets have been disposed off and efforts are on to realize the dues from its customers.

**Indian Accounting Standards 2015 :**

The financial statements of the Company upto the year ended 31st March, 2017 had been prepared & presented according to Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 as amended. The annexed financial statements comply with the Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013/ Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended. These financial statements are the first statements of the Company under the Ind AS and provide the necessary details concerning the transition from previous GAAP to Ind AS.

**2. DIVIDEND**

In view of losses suffered by the company, the Board of Directors has not recommended any dividend for the financial year ended 31st March, 2018.

**3. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2018, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2018 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**4. DIRECTORS**

Sh. V.K. Suri retires by rotation and being eligible, the Board recommends his appointment.

**5. INTERNAL FINANCIAL CONTROLS**

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency.

**6. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company.

**7. MEETINGS OF THE BOARD**

The Board of Directors held five meetings during the year under reference.

**8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

The Company has neither given any loan / Guarantee nor made any Investment / provide any Security.

**9. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as 'Annexure A' of this report.

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

(a) **Conservation of Energy** :Your company continues to put in its efforts to conserve energy under Energy Conservation Programme and through better utilization of equipment and proper production planning.

(b) **Technical arrangements** : The company has not entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

<b>(c) Foreign Exchange Earnings &amp; Outgo</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>(₹ lacs)</b>	<b>(₹ lacs)</b>
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) **Particulars of Employees**: There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 60,00,000/- p.a. or ₹ 5,00,000/- p.m. if employed for a part of the year.

**11. AUDITORS AND AUDITOR'S REPORT**

**Statutory Auditors:**

M/s N.K. Gaba & Co., Chartered Accountants, The retiring Auditors of the company, have confirmed their eligibility to be re-appointed as statutory auditors of the company at ensuing Annual General Meeting. The board of Directors recommends the re-appoint of M/s N.K. Gaba & Co. chartered Accountants as Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

The Auditor's report given by M/s. N.K. Gaba & Co., Chartered Accountants, does not have any qualification, reservation or adverse remark.

**12. ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the bankers, authorities, customers, members and other business associations. They place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company for its success.

Yours truly,  
For and on behalf of the Board,  
Sd/-  
**I.K. Sardana**  
Chairman

Place : Phagwara  
Dated : 29th May, 2018



**ANNEXURE 'A'**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2018

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

**I. REGISTRATION & OTHER DETAILS:**

i.	CIN	U18101PB1997PLC020568
ii.	Registration Date	08-10-1997
iii.	Name of the Company	SCOTT INDUSTRIES LIMITED
iv.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office & contact details	Sukhjit Road, Phagwara, Distt. Kapurthala, 144401, INDIA
vi.	Whether listed company	No
vii.	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S.No	Name & Description of main products/services	NIC Code of the Product /service
1	Readymade Garments	1410

**III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

S.No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Sukhjit Starch & Chemicals Limited	L15321PB1944PLC001925	Holding	99.97	SEC 2(87)

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning 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		
<b>Promoters</b>										
(1) Indian	-	1,400	1,400	0.03	-	1,400	1,400	0.03	-	-
a) Individual/HUF										
b) Central Govt. or State Govt.										
c) Bodies Corporates	-	4,400,000	4,400,000	99.97	--	4,400,000	4,400,000	99.97	-	-
d) Bank/FI										
e) Any other										
<b>Total Shareholding of Promoters</b>	-	4,401,400	4,401,400	100.00	-	4,401,400	4,401,400	100.00	-	-
<b>Grand Total</b>	-	4,401,400	4,401,400	100.00	-	4,401,400	4,401,400	100.00	-	-

**Scott Industries Limited, Phagwara**

**(V) SHARE HOLDING OF PROMOTERS**

S.No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
<b>Individual</b>								
1	I K Sardana	200	0.005	0	200	0.005	0	-
2	K K Sardana	200	0.005	0	200	0.005	0	-
3	M G Sharma	200	0.005	0	200	0.005	0	-
4	V K Suri	400	0.01	0	400	0.010	0	-
5	Rakesh Chawla	200	0.005	0	200	0.005	0	-
6	M V Ram Gopal	200	0.005	0	200	0.005	0	-
		<b>1400</b>	<b>0.035</b>	<b>0</b>	<b>1400</b>	<b>0.035</b>	<b>0</b>	<b>-</b>
<b>BODIES CORPORATES</b>								
1	SUKHJIT STARCH & CHEMICALS LIMITED	4400000	99.965	0	4400000	99.965	0	-
		<b>4400000</b>	<b>99.965</b>		<b>4400000</b>	<b>99.965</b>	<b>0</b>	<b>-</b>
	<b>Total</b>	<b>4401400</b>	<b>100</b>	<b>0</b>	<b>4401400</b>	<b>100</b>	<b>0</b>	<b>-</b>

**(VI) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) / End of year (31.03.2018)		Date	Increase/ Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
	There is no change during the year under reference in the Promoter's shareholding.							

**(VII) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**  
Not Applicable

**(VIII) Shareholding of Directors & KMP**

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) / End of year (31.03.2018)		Date	Increase/ Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	I K Sardana	200	0.005	01.04.2017				
	(Director)				NIL	No Change		
		<b>200</b>	<b>0.005</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.005</b>
2	K K Sardana	200	0.005	01.04.2017				
	( Director)				NIL	No Change		
		<b>200</b>	<b>0.005</b>	<b>31.03.2018</b>			<b>200</b>	<b>0.005</b>
3	V.K. Suri	200	0.005	01.04.2017			400	
	( Director)				NIL	No Change		
		<b>400</b>	<b>0.010</b>	<b>31.03.2018</b>			<b>400</b>	<b>0.010</b>

**IX. INDEBTEDNESS**

(in lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits Indebtedness	Total
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:**

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
2	Commission ( as % of profit)				
3	Others ( Retirement Benefits)				
	<b>Total (A)</b>				
	Ceiling as per the Act				

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

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
2	Others ( Retirement Benefits)			
	<b>Total</b>			

**XI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Scott Industries Limited,  
Phagwara.

We have audited the accompanying Standalone Financial Statements of SCOTT INDUSTRIES LIMITED which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

## Scott Industries Limited, Phagwara

---

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of Balance Sheet, of the State of affairs of the Company as at 31st March 2018;
- (ii) in the case of Profit & Loss Statement, of the Loss of the company for the year ended on that date;
- (iii) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date; and
- (iv) of the Statement of Changes in Equity for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information as required and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
- (c) The Balance Sheet, Profit & Loss Statement, Cash Flow Statement and Statement of Changes in Equity referred to in this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors, as on 31st March 2018, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

**For N.K. GABA & CO.**

Chartered Accountants,

Firm Registration Number 003684N

Sd/-

**(N.K. GABA)**

Partner

Memb. No. 82375

Place : Phagwara

Dated : 20th May, 2018

### Annexure 'A' to the Independent Auditor's Report

The Annexure referred to in the Auditors' Report to the members of SCOTT INDUSTRIES LIMITED for the year ended 31st March 2018. We report that:

1. The Company has maintained records showing quantitative details of Fixed Assets. The physical verification of Fixed Assets is done by the management at reasonable intervals. The company during the year has not disposed off any Fixed Asset, affecting its going concern status. The Title Deeds of the immovable property are held in the name of the Company.
2. As explained to us, The management of the Company has conducted physical verification of inventory at regular intervals and no material discrepancies were noticed on physical verification.

The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

3. The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.
7. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, ESI, Investor Education and Protection Fund, Sales-tax, Wealth tax, Service Tax, Income Tax, Customs duty, VAT, etc.

According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service Tax, Excise and Wealth tax which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and debenture holders.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

## Scott Industries Limited, Phagwara

---

10. According to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers or employees, has been noticed or reported during the course of our audit.
11. The Company has not paid any managerial remuneration.
12. The Company is not a Nidhi Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable indian accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The Company has not entered into any non-cash transactions with directors or persons connected with them.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

Place : Phagwara

Dated : 20th May, 2018

**Scott Industries Limited, Phagwara**

**BALANCE SHEET AS ON 31ST MARCH, 2018**

	NOTE	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)	AS ON 31.3.2016 (₹ LACS)
<b>ASSETS</b>				
<b>1. NON CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	3	<u>45.69</u>	<u>45.69</u>	<u>54.59</u>
		45.69	45.69	54.59
<b>2. CURRENT ASSETS</b>				
(a) Inventories				
(b) Financial Assets				
(i) Trade Receivables	4	103.16	123.79	144.42
(ii) Cash & Cash Equivalents	5	2.60	2.61	2.68
(iii) Loans & advances	6	—	6.97	6.97
		<u>105.76</u>	133.37	154.07
Total Assets		<u>151.45</u>	<u>179.06</u>	<u>208.66</u>
<b>EQUITY AND LIABILITIES</b>				
<b>1. EQUITY</b>				
(a) Equity Share Capital	7	440.14	440.14	440.14
(b) Other Equity	8	<u>(500.16)</u>	<u>(474.30)</u>	<u>(444.47)</u>
		(60.02)	(34.16)	(4.33)
<b>2. LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	9	211.28	213.09	212.94
(ii) Trade Payables	10	<u>0.19</u>	<u>0.13</u>	<u>0.05</u>
		<u>211.47</u>	213.22	212.99
<b>TOTAL</b>		<u>151.45</u>	<u>179.06</u>	<u>208.66</u>

The accompanying notes are intergal part of these financial statements

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

Place : Phagwara  
Dated : 20th May, 2018



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

	NOTE	FOR THE YEAR ENDED 31.03.2018 (₹ LACS)	FOR THE YEAR ENDED 31.03.2017 (₹ LACS)
1. Revenue From Operations	11	-	-
2. Other Income	12	2.68	-
<b>Total Revenue</b>		<b>2.68</b>	<b>-</b>
<b>3. Expenses</b>			
Employees Benefits Exps.	13	0.06	0.12
Depreciation & Amortisation	14	-	8.90
Other Expenses	15	28.49	20.80
<b>Total Expenses</b>		<b>28.55</b>	<b>29.82</b>
<b>4. Profit Before Exceptional Items and Tax (1-2)</b>		<b>(25.86)</b>	<b>(29.82)</b>
Exceptional Items		-	-
<b>5. Profit/Loss Before Tax</b>		<b>(25.86)</b>	<b>(29.82)</b>
<b>6. Provision for Tax</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>7. Profit/Loss for the periods from Continuing Operation</b>		<b>(25.86)</b>	<b>(29.82)</b>
<b>8. Profit/Loss from Discontinued Operations</b>		<b>-</b>	<b>-</b>
<b>9. Profit/Loss for the Period</b>		<b>(25.86)</b>	<b>(29.82)</b>
<b>10. Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>11. Total Comprehensive Income</b>		<b>(25.86)</b>	<b>(29.82)</b>
<b>12. Earnings Per Share</b>	16		
(i) Basic		(0.59)	(0.68)
(ii) Diluted		(0.59)	(0.68)
Profit brought forward		(474.30)	(444.47)
Add : Current Year Profit		(25.86)	(29.82)
Income Tax Refund		-	-
Bal. carried over to B/S		(500.16)	(474.30)

The accompanying notes are intergal part of these financial statements

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

Place : Phagwara  
Dated : 20th May, 2018

**STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018**

(₹ LACS)

**A. EQUITY SHARE CAPITAL**

Bal at beginning of reporting period, i.e. 1st April, 2016	Changes in Equity Share Capital during 2016-17	Balance at end of reporting period, i.e. 31st March 2017	Changes in Equity Share Capital during 2016-17	Balance at end of reporting period, i.e. 31st March 2018
440.14	-	440.14	-	440.14

**B. OTHER EQUITY**

	Bal at beginning of reporting period, i.e. 1st April, 2016	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2017
<b>As at 31st March 2017</b>					
<b>Reserve &amp; Surplus</b>					
Capital Reserve	-	-	-	-	-
General Reserve	-	-	-	-	-
Profit & Loss Account	(444.47)	(29.82)	-	-	(474.29)
<b>Total</b>	<b>(444.47)</b>	<b>(29.82)</b>	<b>-</b>	<b>-</b>	<b>(474.29)</b>

	Bal at beginning of reporting period, i.e. 1st April, 2017	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2018
<b>As at 31st March 2018</b>					
<b>Reserve &amp; Surplus</b>					
Capital Reserve	-	-	-	-	-
General Reserve	-	-	-	-	-
Profit & Loss Account	(474.29)	(25.86)	-	-	(500.15)
<b>Total</b>	<b>(474.29)</b>	<b>(25.86)</b>	<b>-</b>	<b>-</b>	<b>(500.15)</b>

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

Place : Phagwara  
Dated : 20th May, 2018

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

	For the Year Ended 31st March, 2018 (₹ lacs)	For the Year Ended 31st March, 2017 (₹ lacs)
<b>A. NET PROFIT BEFORE TAX</b>	<b>(25.86)</b>	<b>(29.82)</b>
<b>Adjustments for</b>		
Depreciation less Depreciation w/back	-	8.90
Operating Profit before Working Capital Changes (A)	<u>(25.86)</u>	<u>(20.92)</u>
<b>Adjustments for</b>		
Receivables	20.63	20.63
Inventories	6.97	-
Current Assets	-	-
Current Liabilities (B)	<u>(1.75)</u>	<u>0.22</u>
<b>Cash Generated from Operations (A-B)</b>	<u>(0.01)</u>	<u>(0.07)</u>
Income Tax & FBT for the period	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (C)</b>	<u>(0.01)</u>	<u>(0.07)</u>
<b>CASH FROM FINANCING &amp; INVESTING ACTIVITIES</b>		
Increase/Decrease in Fixed assets	-	-
Increase/Decrease in Security Deposits	-	-
Increase/Decrease in Share Capital	-	-
Increase/Decrease in Reserve & Surplus	-	-
<b>NET CASH FROM FINANCING &amp; INVESTING ACTIVITIES (D)</b>	<u>-</u>	<u>-</u>
Net increase in Cash and Cash Equivalents (C+D)	(0.01)	(0.07)
Opening Cash and Cash Equivalents	<u>2.61</u>	<u>2.68</u>
Closing Cash and Cash Equivalents	<u>2.60</u>	<u>2.61</u>

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [ RAMAN NARANG  
V.K. SURI  
S.D. PATEL

Place : Phagwara  
Dated : 20th May, 2018

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018**

**23. SIGNIFICANT ACCOUNTING POLICIES**

**1. CORPORATE INFORMATION**

Scott Industries Ltd. (The Company) is Public Limited Company incorporated and domiciled in India. The address of its registered office is G.T Road, Phagwara -144401 Distt. Kapurthala(Punjab).

The Company engaged in the manufacturing of fabric & Readymade Garments, which has shutdown its operation due to huge losses over the years.

The Standalone Financial Statements for the year ended March 31, 2018 were approved by the Board of Directors on 29.05.2018.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Comparative information on first time adoption of IND AS**

**Transition date**

The financial statements for the year ended 31st March, 2018 are the first to have been prepared in accordance with IND AS. Opening Balance sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016.

**(b) Method of Accounting**

The company maintains its financial statements on accrual basis and in accordance with the historical cost convention generally accepted accounting practice and applicable Indian Accounting Standards as well as the relevant provisions of Companies Act, 2013. However, certain escalation/claim which are not ascertainable or unacknowledged are accounted for on their being acknowledged.

**(c) Fixed Assets**

Fixed assets are stated at Original cost including duties, taxes, freight and any other incidental acquisition expenses and revenue expenditure incurred for the period prior to commercial production is considered as a part of the cost of assets.

**(d) Depreciation**

Depreciation is provided on Straight Line Method, Calculated as per the useful life provided under Companies Act, 2013.

**(e) Inventory**

Inventories are valued at cost or net realizable value, whichever is less.

**(f) Foreign Currency Transactions**

No foreign currency transaction made by the company during the year.

**(g) RELATED PARTY DISCLOSURES**

(a) Party which significantly influence the Company :

M/S THE SUKHJIT STARCH & CHEMICALS LTD. PHAGWARA (HOLDING COMPANY)

(b) Parties which are significantly influenced by the Company : NIL

(c) No payments made to related party during the current year or the previous year.

3. Figures for the previous year have been recast/regrouped wherever necessary.

4. Contingent Liabilities not provided for include :

Gratuity Provisions has been made in accordance with Indian accounting standard 19, "Employee Benefits",

5. There was no employee with the company who was in receipt of remuneration aggregating to Rs. 60,00,000/- or more p.a. if employed throughout the year and ₹ 5,00,000/- or more p.m. if employed for part of the year.

	Current Year (₹ lacs)	Previous Year (₹ lacs)
6. Auditors remuneration includes		
Audit Fee	0.06	0.05
Tax Audit Fee	0.00	0.00
Reimbursement of out of pocket Expenses (Service Tax on Audit Fee)	-	-
7. <b>EARNINGS IN FOREIGN EXCHANGE</b>		
(i) Export of goods on F.O.B. basis	Nil	Nil
(ii) Royalty, know-how, interest, dividend	Nil	Nil
8. <b>VALUE OF IMPORTS ON C.I.F. BASIS</b> (Excluding Canalised items)		
(i) Raw Materials and consumables	Nil	Nil
(ii) Components and spare parts	Nil	Nil
(iii) Capital Goods	Nil	Nil
9. <b>EXPENDITURE IN FOREIGN CURRENCY</b>		
Remittance in foreign currency for		
(i) Dividend, Interest, royalty	Nil	Nil
(ii) Foreign travelling expenses	Nil	Nil
(iii) Commission to foreign agents	Nil	Nil
10. <b>VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND PERCENTAGE OF EACH TO TOTAL CONSUMPTION</b>		
(i) Raw material		
(a) Imported	Nil	Nil
(b) Indigenous	Nil	Nil
(ii) Spares & Components		
(a) Imported	Nil	Nil
(b) Indigenous	Nil	Nil

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**FIXED ASSETS AS ON MARCH 31, 2018**

(₹ LACS)

Particulars	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	Cost As on 1.4.2017	Additions	Cost As on 31.03.18	Upto 31.03.2017	For the Year	Upto 31.03.2018	As on 31.3.2018	As on 31.3.2017
Land	44.17	--	44.17	--	--	--	44.17	44.17
Tubewell	30.49	--	30.49	28.96	--	28.96	1.52	1.52
<b>Total</b>	<b>74.66</b>	<b>--</b>	<b>74.66</b>	<b>28.96</b>	<b>--</b>	<b>28.96</b>	<b>45.69</b>	<b>45.69</b>
Previous Year	74.66		74.66	20.07	8.90	28.96	45.69	54.59

NOTE : 3

For and On behalf of the Board

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 0036684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

DIRECTORS

Place : Phagwara  
Dated : 20th May, 2018

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018

FIXED ASSETS AS ON MARCH 31, 2017

(₹ LACS)

FIXED ASSETS PARTICULARS	COST AS ADDITION ON 01.04.2016	GROSS BLOCK ASSETS		DEPRECIATION FOR THE YEAR OPENING AS ON 01.04.2016	DEPRECIATION ON SALE/ ADJUSTMENT 31.3.2017	NET BLOCK AS ON 31.3.2016	NET BLOCK AS ON 31.3.2017
		REVALUED	SALE/ ADJUSTMENT				
Land	44.17	---	---	---	---	44.17	44.17
Tubewell	30.49	---	---	20.07	28.96	1.52	10.42
<b>Total</b>	<b>74.66</b>	<b>---</b>	<b>---</b>	<b>20.07</b>	<b>28.96</b>	<b>45.69</b>	<b>54.59</b>
Previous Year	74.66	---	---	11.17	20.07	54.59	---

NOTE : 3

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

Place : Phagwara  
Dated : 20th May, 2018

For and On behalf of the Board

DIRECTORS  
I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018

FIXED ASSETS AS ON MARCH 31, 2016

(₹ LACS)

FIXED ASSETS PARTICULARS	COST AS ADDITION ON 01.04.2015	GROSS BLOCK ASSETS		DEPRECIATION FOR THE YEAR OPENING AS ON 01.04.2015	DEPRECIATION ON SALE/ ADJUSTMENT 31.3.2016	NET BLOCK AS ON 31.3.2016	NET BLOCK AS ON 31.3.2015
		REVALUED	SALE/ CLOSING AS ON 31.3.2016				
Land	44.17	---	44.17	---	---	44.17	44.17
Tubewell	30.49	---	30.49	11.17	20.07	10.42	19.32
<b>Total</b>	<b>74.66</b>	<b>---</b>	<b>74.66</b>	<b>11.17</b>	<b>20.07</b>	<b>54.59</b>	<b>63.49</b>
Previous Year	98.37	---	23.71	10.53	8.26	63.49	87.84

NOTE : 3

Auditors' Report  
As per our separate report of even date  
For N.K. Gaba & Co.  
Chartered Accountants,  
Firm Registration Number 003684N  
Sd/-  
(N.K. Gaba)  
Partner  
Memb. No. 82375

Place : Phagwara  
Dated : 20th May, 2018

For and On behalf of the Board

DIRECTORS  
I.K. SARDANA  
K.K. SARDANA  
V.K. SURI

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)	AS ON 31.3.2016 (₹ LACS)
<b>4. TRADE RECEIVABLES</b>			
Considered doubtful	206.32	206.32	206.32
Less : Provision for Bad debts	(103.16)	(82.53)	(61.90)
	<u>          -</u>	<u>      123.79</u>	<u>      144.42</u>
<b>5. CASH &amp; CASH EQUIVALENTS</b>			
Cash in Hand	0.01	0.01	0.13
Balance with Scheduled Banks in	2.59	2.60	2.54
	<u>      2.60</u>	<u>      2.61</u>	<u>      2.68</u>
<b>6. SHORT TERM LOANS &amp; ADVANCES</b>			
Income Tax			
Other Taxes	-	6.97	6.97
	<u>          -</u>	<u>      6.97</u>	<u>      6.97</u>
<b>7. EQUITY SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
50,00,000 Equity Shares of ₹ 10/- each each fully paid	<b>500.00</b>	500.00	500.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>			
4401400 Equity Shares of ₹ 10/- each fully paid	<b>440.14</b>	440.14	440.14
(4401400 Equity shares held by Holding Co.)	<u>      440.14</u>	<u>      440.14</u>	<u>      440.14</u>
<b>8. OTHER EQUITY</b>			
Profit & Loss Account	<b>(500.16)</b>	(474.30)	(444.47)
	<u>      (500.16)</u>	<u>      (474.30)</u>	<u>      (444.47)</u>
<b>9. SHORT TERM BORROWINGS</b>			
Advances from Holding Co. (Unsecured)	<b>211.28</b>	213.09	212.94
	<u>      211.28</u>	<u>      213.09</u>	<u>      212.94</u>
<b>10. TRADE PAYABLES</b>			
Trade payable for Expenses	<b>0.19</b>	0.13	0.05
	<u>      0.19</u>	<u>      0.13</u>	<u>      0.05</u>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)
<b>11. REVENUE FROM OPERATIONS</b>	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>12. OTHER INCOME</b>		
Other Income	2.68	-
	<u>2.68</u>	<u>-</u>
	<u>2.68</u>	<u>-</u>
<b>13. EMPLOYEES BENEFITS EXPENSES</b>		
Salary & Wages	0.06	0.12
	<u>0.06</u>	<u>0.12</u>
	<u>0.06</u>	<u>0.12</u>
<b>14. DEPRICIATION &amp; AMORTISATION EXPS</b>		
Deprication	-	8.90
	<u>-</u>	<u>8.90</u>
	<u>-</u>	<u>8.90</u>
<b>15. OTHER EXPENSES</b>		
(a) Manufacturing Expenses	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
(b) Administration, Selling & Other Expenses		
Postage, Telegram and Telephone	0.04	0.01
Fees, Taxes and Registration	0.03	-
Legal & Professional	0.75	0.09
Audit Fees	0.06	0.05
Bank Charges	0.01	0.01
Misc. Exp.	-	0.01
Balances written off	6.97	-
Provision for Doubtful Debts	20.63	20.63
	<u>28.49</u>	<u>20.80</u>
	<u>28.49</u>	<u>20.80</u>
<b>16. EARNING PER SHARE</b>		
Profit After Tax (in ₹)	(25,86,053.00)	(29,82,147.00)
No. of Shares	4401400	4401400
Earning Per Share (Basic & Diluted)	(0.59)	(0.68)

## Sukhjit Mega Food Park & Infra Limited, Phagwara

---

### BOARD OF DIRECTORS

Sh. I.K. Sardana  
Sh. K.K. Sardana  
Sh. Dhiraj Sardana  
Sh. Bhavdeep Sardana  
Sh. Vikas Garg

### AUDITORS

M/s Manchanda & Co.  
Chartered Accountants  
Railway Road, Phagwara.

### REGISTERED OFFICE

Sarai Road,  
Phagwara-144 401.  
Distt. Kapurthala (Pb.)

---

## DIRECTORS' REPORT

Dear Share Holders:

Your Directors are pleased to present before you the 3rd Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2018 :

### 1. FINANCIAL PERFORMANCE

The company has been incorporated as an SPV for setting up a Mega Food Park in Punjab, approved by the Ministry of Food Processing Industries (MoFPI), Govt. of India, New Delhi under its Mega Food Park Scheme. The on site work of the project is going on as per the schedule and the project is expected to be commissioned in the 3rd quarter of F.Y. 2019-20.

#### Indian Accounting Standards 2015 :

The financial statements of the Company upto the year ended 31st March, 2017 had been prepared & presented according to Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 as amended. The annexed financial statements comply with the Indian Accounting Standards (Ind AS) notified under the section 133 of the Companies Act, 2013/ Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended. These financial statements are the first statements of the Company under the Ind AS and provide the necessary details concerning the transition from previous GAAP to Ind AS.

### 2. DIVIDEND

The Board of Directors has not recommended any dividend for the financial year ended 31st March, 2018.

### 3. BONUS SHARES

The company has issued 9031500 Equity shares of ₹10/- each fully paid up as bonus shares in the ratio 1:3 (i.e. three bonus shares for each share held) to the existing share holder(s) during the year.

### 4. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2018, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2018 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 5. DIRECTORS

Sh. I.K. Sardana and Sh. K.K. Sardana retires by rotation and being eligible, the Board recommends his appointment.

Sh. Vikas Garg, I.A.S., Mission Director, Department of Food Processing Industries, Government of Punjab has been appointed as Nominee Director of the Company in pursuance to the guidelines of the Mega Food Park Scheme of the Ministry of Food Processing Industries, Govt. of India, New Delhi.

**5. INTERNAL FINANCIAL CONTROLS**

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency.

**6. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company.

**7. MEETINGS OF THE BOARD**

The Board of Directors held seven meetings during the year under reference.

**8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

The Company has neither given any loan / Guarantee nor made any Investment / provide any Security.

**9. EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as 'Annexure A' of this report.

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

(a) **Conservation of Energy** : Your company will put in its efforts to conserve energy under Energy Conservation Programme and through better utilization of equipment.

(b) **Technical arrangements** : The company has not yet entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

(c) Foreign Exchange Earnings & Outgo	2017-2018 (₹ lacs)	2016-2017 (₹ lacs)
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) **Particulars of Employees**: There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 60,00,000/- p.a. or ₹ 5,00,000/- p.m. if employed for a part of the year.

**11. AUDITORS AND AUDITOR'S REPORT**

**Statutory Auditors:**

M/s. Manchanda & Company, Chartered Accountants, the retiring Auditors of the Company, have confirmed their eligibility to be re-appointed as Statutory Auditors of the Company at the ensuing Annual General Meeting. The Board of Directors recommends the re-appointment of M/s. Manchanda & Company, Chartered Accountants as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

The Auditor's report does not have any qualification, reservation or adverse remark.

**12. ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the bankers, authorities, members and other business associates. They place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company for its success.

Yours truly,  
For and on behalf of the Board,  
Sd/-  
**I.K. Sardana**  
Chairman

Place : Phagwara  
Dated : 29th May, 2018

## Sukhjit Mega Food Park & Infra Limited, Phagwara

### ANNEXURE 'A'

#### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

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

#### I. REGISTRATION & OTHER DETAILS:

i.	CIN	U45209PB2015PLC039547
ii.	Registration Date	17-06-2015
iii.	Name of the Company	SUKHJIT MEGA FOOD PARK & INFRA LIMITED
iv.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office & contact details	Sarai Road, Phagwara, Distt. Kapurthala, 144401,INDIA
vi.	Whether listed company	No
vii.	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No	Name & Description of main products/services	NIC Code of the Product /service
1	Renting and Leasing of other machinery, equipment and tangible goods n.e.c.	773

#### III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S.No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Sukhjit Starch & Chemicals Limited	L15321PB1944PLC001925	Holding	100%	SEC 2(87)

#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning 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		
<b>Promoters</b>										
(1) Indian										
a) Individual/HUF	-	3,500	3,500	0.35	-	-	-	-	(3,500)	(0.35)
b) Central Govt. or State Govt.										
c) Bodies Corporates	-	1,000,000	1,000,000	99.65	--	12,042,000	12,042,000	100	11,042,000	0.35
d) Bank/FI										
e) Any other										
<b>Total Shareholding of Promoters</b>										
	-	1,003,500	1,003,500	-	-	12,042,000	12,042,000	100.00	-	-
<b>Grand Total</b>	-	1,003,500	1,003,500	-	-	12,042,000	12,042,000	100.00	-	-

## Sukhjit Mega Food Park & Infra Limited, Phagwara

### (V) SHARE HOLDING OF PROMOTERS

S.No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
<b>Individual</b>								
1	K K Sardana	500	0.05	-	-	-	-	(0.05)
2	Dhiraj Sardana	500	0.05	-	-	-	-	(0.05)
3	Bhavdeep sardana	500	0.05	-	-	-	-	(0.05)
4	Puneet Sardana	500	0.05	-	-	-	-	(0.05)
5	Pankaj Sardana	500	0.05	-	-	-	-	(0.05)
6	Vijay Kumar Suri	500	0.05	-	-	-	-	(0.05)
7	Amandeep Setia	500	0.05	-	-	-	-	(0.05)
		<b>3500</b>	<b>0.35</b>	-	-	-	-	<b>(0.35)</b>
<b>BODIES CORPORATES</b>								
1	SUKHJIT STARCH & CHEMICALS LIMITED	1,000,000	99.65	-	12,042,000	100	0	0.35
		1,000,000	99.65	-	12,042,000	100	0	0.35
	<b>Total</b>	<b>1,003,500</b>	<b>100</b>	-	<b>12,042,000</b>	<b>100</b>	<b>0</b>	-

### (VI) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

There is no change in the Promoters shareholding during the year under reference.

### (VII) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Not Applicable

### (VIII) Shareholding of Directors & KMP

S.No.	Promoters	Shareholding at the beginning of the year (01.04.2017) /End of year (31.03.2018)		Date	Increase/Decrease	Reason	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	I K sardana (Director)	-	--	01.04.2017				
		-	--	31.03.2018	NIL	No change	--	--
2	K K Sardana ( Director)	500	(0.05)	01.04.2017				
		-	--	04.08.2017	(500)	Transfer		
		-	--	31.03.2018			--	--
3	Dhiraj sardana (Director)	500	0.05	01.04.2017				
		-	--	04.08.2017	(500)	Transfer		
		-	--	31.03.2018			--	--
4	Bhavdeep Sardana ( Director)	500	0.05	01.04.2017				
		-	--	04.08.2017	(500)	Transfer		
		-	--	31.03.2018			--	--

## Sukhjit Mega Food Park & Infra Limited, Phagwara

### IX. INDEBTEDNESS

(in lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits Indebtedness	Total
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

### X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
2	Commission ( as % of profit)				
3	Others ( Retirement Benefits)				
	<b>Total (A)</b>				
	Ceiling as per the Act				

#### B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	1.05	1.05
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
2	Others ( Retirement Benefits)			
	<b>Total</b>		1.05	1.05

### XI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

**INDEPENDENT AUDITORS' REPORT**

To

The Members of

Sukhjit Mega Food Park & Infra Limited,

Phagwara.

We have audited the accompanying financial statements of Sukhjit Mega Food Park & Infra Limited (the Company) which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss for the year then ended, the Statement of Cash Flows Statement of Change in Equity and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 and the Order under section 143 (11) of the Act.

We conducted our audit of the 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 financial statements are free from material misstatement.

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

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

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) in the case of the Statement of Profit & Loss, of the loss of the Company for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
- (d) of the Statement of changes in Equity for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :**

1. As required by section 143(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards / Accounting Standards prescribed under Section 133 of the Act, as applicable.
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act.
2. As required by the Companies (Audit and Auditors) Rules, 2014, regarding Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, we report that the company does not have a system of Internal Financial Control System since it has not entered into any significant financial transactions during the year.
3. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, a report on the matters specified in paragraphs 3 and 4 of the Order are in Annexure A.

**For MANCHANDA & COMPANY**

Chartered Accountants,  
Firm Registration Number 001678N  
Sd/-

**(RAHUL MANCHANDA)**

Place : Phagwara

Partner

Dated : 25th May, 2018

Memb. No. 098558



### Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 3 under the heading of 'report on other legal and regulatory requirements' of our report of even date :

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us, the company does not have any freehold property. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
2. The Company has not held any inventory during the year under audit, nor it has carried out any turnover.
3. 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.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the shareholders or public during the year.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
7. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, GST and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, GST and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

## Sukhjit Mega Food Park & Infra Limited, Phagwara

---

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
11. The Company has not paid managerial remuneration.
12. The Company is not a Nidhi Company.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. 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.
15. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Manchanda & Company

Chartered Accountants

Firm Registration Number 001678N

Sd/-

(Rahul Manchanda)

Partner

Memb. No. 098558

Place : Phagwara

Dated : 25th May, 2018

## Sukhjit Mega Food Park & Infra Limited, Phagwara

### BALANCE SHEET AS ON 31ST MARCH, 2018

	NOTE	AS ON 31.3.2018 (₹ LACS)	AS ON 31.3.2017 (₹ LACS)	AS ON 31.3.2016 (₹ LACS)
<b>ASSETS</b>				
<b>1. NON CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	3	2.32	–	–
(b) Capital Work-in-progress	3	1,625.99	18.64	10.83
(c) Financial Assets		–	–	–
(d) Deferred Tax Asset (net)	4	8.20	9.38	6.46
(e) Other Non Current Assets	5	178.85	78.18	66.34
		1,815.36	106.20	83.63
<b>2. CURRENT ASSETS</b>				
(a) Inventories		–	–	–
(b) Financial Assets				
(i) Cash & Cash Equivalents	6	1,028.21	0.33	1.64
(ii) Bank Balance other than (iii)		–	–	–
(c) Current Tax Assets (net)		–	–	–
(d) Other Current Assets	7	12.29	0.20	0.70
		1,040.50	0.53	2.34
Total Assets		2,855.86	106.73	85.97
<b>EQUITY AND LIABILITIES</b>				
<b>1. EQUITY</b>				
(a) Equity Share Capital	8	1,204.20	100.35	100.35
(b) Other Equity	9	1,405.02	(41.90)	(14.46)
		2609.22	58.45	85.89
<b>2. LIABILITIES</b>				
<b>(A) NON CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	10	200.00	–	–
(ii) Trade Payables		–	–	–
(b) Other Non Current Liabilities	11	12.15	–	–
		212.15	–	–
<b>(B) CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Trade Payables	12	5.12	0.38	0.08
(b) Other Current Liabilities	13	29.37	47.90	–
		34.49	48.28	0.08
<b>TOTAL</b>		2,855.86	106.73	85.97

The accompanying notes are intergal part of these financial statements

#### AUDITOR'S REPORT

As per our separate report of even date  
For MANCHANDA & COMPANY,  
Chartered Accountants,  
Firm Registration Number 001678N

Sd/-  
(RAHUL MANCHANDA)  
Partner  
Memb. No. 098558

Place : Phagwara  
Dated : 25th May, 2018

For and On behalf of the Board

DIRECTORS { I.K. SARDANA  
K.K. SARDANA  
DHIRAJ SARDANA  
BHAVDEEP SARDANA

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

	NOTE	FOR THE YEAR ENDED 31.03.2018 (₹ LACS)	FOR THE YEAR ENDED 31.03.2017 (₹ LACS)
<b>Revenue From Operations</b>		-	-
<b>Other Income</b>	14	<u>53.78</u>	<u>0.01</u>
<b>Total Revenue</b>		<u>53.78</u>	<u>0.01</u>
<b>Expenses</b>			
Employees Benefits Exps.	15	20.00	5.80
Finance Cost	16	-	-
Depreciation	3	0.69	-
Other Expenses	17	<u>34.99</u>	<u>24.57</u>
<b>Total Expenses</b>		<u>55.68</u>	<u>30.37</u>
<b>Profit (Loss) Before Exceptional Items and Tax</b>		(1.90)	(30.36)
Exceptional Items		<u>-</u>	<u>-</u>
<b>Profit/Loss Before Tax</b>		(1.90)	(30.36)
<b>Provision for Tax</b>			
Current Tax		-	-
Deferred Tax		<u>1.18</u>	<u>2.92</u>
<b>Profit/Loss for the periods from Continuing Operation</b>		(3.08)	(27.44)
Profit/Loss from Discontinued Operations		-	-
<b>Profit/Loss for the Period</b>		(3.08)	(27.44)
Other Comprehensive Income		-	-
<b>Total Comprehensive Income (Comprising Profit/Loss and other Comprehensive Income for the Period)</b>		(3.08)	(27.44)
<b>Basic / Diluted EPS</b>		Nil	Nil

The accompanying notes are intergal part of these financial statements

**AUDITOR'S REPORT**

As per our separate report of even date  
For MANCHANDA & COMPANY,  
Chartered Accountants,  
Firm Registration Number 001678N  
Sd/-  
(RAHUL MANCHANDA)  
Partner  
Memb. No. 098558

For and On behalf of the Board

DIRECTORS [ I.K. SARDANA  
K.K. SARDANA  
DHIRAJ SARDANA  
BHAVDEEP SARDANA

Place : Phagwara  
Dated : 25th May, 2018

## Sukhjit Mega Food Park & Infra Limited, Phagwara

### STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

#### AUTHORISED SHARE CAPITAL

	No. of Shares	Amount
As at 1st April 2016	90,00,000	900,00,000
Increased During the year	-	-
As at 31st March 2017	90,00,000	900,00,000
Increased During the year	2,60,00,000	26,00,00,000
As at 31st March 2018	3,50,00,000	35,00,00,000

#### MOVEMENT IN EQUITY SHARE CAPITAL

	No. of Shares	Amount
As at 1st April 2016	10,03,500	1,00,35,000
Fresh issued during the year	-	-
As at 31st March 2017	10,03,500	1,00,35,000
Fresh issued During the year	1,10,38,500	11,03,85,000
As at 31st March 2018	1,20,42,000	12,04,20,000

#### OTHER EQUITY

F.Y. 2016-17

Particulars	Balance at the beginning of the reporting period	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividend	Transfer to Retained earnings	Any other change	Balance at the reporting period
1. Share application money pending allotment	-	-	-	-	-	-	-	-
2. Equity component of compound financial instruments	-	-	-	-	-	-	-	-
3. Reserve and surplus	-	-	-	-	-	-	-	-
(a) Capital reserve	-	-	-	-	-	-	-	-
(b) Security premium reserve	-	-	-	-	-	-	-	-
(c) Other reserve	-	-	-	-	-	-	-	-
(d) Retained earnings	(14.46)	-	(14.46)	(14.46)	-	(27.44)	-	(41.90)
4. Debt instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
5. Equity instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
6. Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
7. Revaluation Surplus	-	-	-	-	-	-	-	-
8. Financial statements of foreign operation	-	-	-	-	-	-	-	-
9. Other items of other Comprehensive Income	-	-	-	-	-	-	-	-
10. Money received against share warrants	-	-	-	-	-	-	-	-
Total	(14.46)	-	(14.46)	(14.46)	-	(27.44)	-	(41.90)

#### OTHER EQUITY

F.Y. 2017-18

Particulars	Balance at the beginning of the reporting period	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividend	Transfer to Retained earnings	Any other change	Balance at the reporting period
1. Share application money pending allotment	-	-	-	-	-	-	-	-
2. Equity component of compound financial instruments	-	-	-	-	-	-	-	-
3. Reserve and surplus	-	-	-	-	-	-	-	-
(a) Capital reserve	-	-	-	-	-	-	-	-
(b) Security premium reserve	-	-	-	-	-	-	-	-
(c) Other reserve (see note [2j])	-	-	-	-	-	-	1,450.00	1,450.00
(d) Retained earnings	(0.00)	-	(0.00)	(0.00)	-	(3.08)	-	(3.08)
4. Debt instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
5. Equity instruments through other Comprehensive Income	-	-	-	-	-	-	-	-
6. Effective portion of Cash Flow Hedges	-	-	-	-	-	-	-	-
7. Revaluation Surplus	-	-	-	-	-	-	-	-
8. Financial statements of foreign operation	-	-	-	-	-	-	-	-
9. Other items of other Comprehensive Income	-	-	-	-	-	-	-	-
10. Money received against share warrants	-	-	-	-	-	-	-	-
Total	(0.00)	-	(0.00)	(0.00)	-	(3.08)	1,450.00	1,446.92

## Sukhjit Mega Food Park & Infra Limited, Phagwara

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

	Year Ended 31st March, 2018 (₹ lacs)	Year Ended 31st March, 2017 (₹ lacs)
<b>FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	(1.90)	(30.36)
<b>Adjustments for non-cash items</b>		
Depreciation	0.69	-
<b>Adjustments for non-operating activities</b>		
Government grant	(50.00)	
<b>Operating Profits before working capital changes</b>	<b>(51.21)</b>	<b>(30.36)</b>
<b>Change in working capital</b>		
Increase in Current Assets	(12.09)	(11.34)
Increase in Trade Payables	4.74	48.21
Increase in Other Current Liabilities	5.65	-
	<u>(1.70)</u>	<u>36.86</u>
<b>Cash generated from operation</b>	<b>(52.91)</b>	<b>6.50</b>
Direct Taxes Paid	-	-
<b>NET FLOWS FROM OPERATING ACTIVITIES</b>	<b>(52.91)</b>	<b>6.50</b>
<b>FLOWS FROM INVESTING ACTIVITIES</b>		
Addition in Capital Work-in-progress	(1607.35)	(7.81)
Purchase of plant & equipment	(3.01)	-
Other Non Current Assets	(100.67)	-
<b>NET FLOWS FROM INVESTING ACTIVITIES</b>	<b>(1711.03)</b>	<b>(7.81)</b>
<b>FLOWS FROM FINANCING ACTIVITIES</b>		
Equity Share Capital issued during the year	1103.85	-
Borrowings from Bank	200.00	-
Government Grants	1500.00	-
Securities received	12.15	-
Repayment of short term Advance from Holding Company	(24.18)	-
<b>NET FLOWS FROM FINANCING ACTIVITIES</b>	<b>2791.82</b>	<b>-</b>
Net Cash Flows during the year	<b>1027.88</b>	<b>(1.31)</b>
Cash & cash equivalents at the beginning of the year	<b>0.33</b>	<b>1.64</b>
Cash & cash equivalents at the end of the year	<b>1028.21</b>	<b>0.33</b>

The accompanying notes are intergal part of these financial statements

#### AUDITOR'S REPORT

As per our separate report of even date

For MANCHANDA & COMPANY,

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Memb. No. 098558

For and On behalf of the Board

DIRECTORS

I.K. SARDANA
K.K. SARDANA
DHIRAJ SARDANA
BHAVDEEP SARDANA

Place : Phagwara

Dated : 25th May, 2018

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018**

**1. CORPORATE INFORMATION**

Sukhit Mega Food Park & Infra Ltd. (The Company) is Public Limited Company incorporated and dominated in India. The address of its registered office is Sarai Road, Phagwara -144401 and site address is Village Rehana Jattan 144407 Tehsil Phagwara Distt. Kapurthala(Punjab).

The Company is setting up a Mega Food Park sanctioned by the Ministry of Food Processing Industry, Govt. of India on a land measuring 55 Acres at Rehana Jattan, Tehsil Phagwara (Pb.). Mega Food Park will create various common facilities like Raw material & Finished goods warehouses, Silos, Captive power Plant, IQF / Deep Freezer & Cold Storage, Effluent Treatment Plant, Admin building, Worker Hostel, Standard Design Factory Sheds for MSME units, Food Testing Lab, Sorting / Grading Yard and other infrastructural facilities for the upcoming Food Processing units coming up in the Mega Food Park.

The Standalone Financial Statements for the year ended March 31, 2018 were approved by the Board of Directors on 29.05.2018.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Comparative information on first time adoption**

**Transition date**

The financial statements for the year ended 31st March, 2018 are the first to have been prepared in accordance with IND AS. Opening Balance sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016.

**(b) Method of Accounting**

The company maintains its financial statements on accrual basis and in accordance with the historical cost convention generally accepted accounting practice and applicable Indian Accounting Standards as well as the relevant provisions of Companies Act, 2013. However, certain escalation/claim which are not ascertainable or unacknowledged are accounted for on their being acknowledged.

**(c) Fixed Assets**

Fixed assets are accounted for at their original cost including duties, taxes, freight and incident charges relating to acquisition and installation, and expenditure for the period prior to commercial production is considered as a part of the cost of assets.

**(d) Lease**

The company has made an operating lease where the risks and ownership are retained by lessor. The rentals of lease are charged to the Profit & Loss on straight line basis over the lease term.

Following are the disclosures for operating leases:-

(A) the total of future minimum lease payments under non-cancellable operating lease for the following period are as under:-

	(in ₹ lacs)
(i) not later than one year :	22.33
(ii) later than one year and not later than five years :	113.98
(iii) later than five years :	3536.43

(B) The company has not entered into any sub-lease agreement for setting up of any Industrial unit during the financial year ended 31.03.2018.

**(e) Depreciation**

Fixed assets are depreciated on a written down basis at the specified under schedule II of the Companies Act, 2013 on pro-rata basis with reference to month of addition/installation.

**(f) Valuation of Inventory**

The company has not engaged in commercial activities and has not held any inventories during the year.

**(g) Foreign Currency Transactions**

No foreign currency transactions made by the company during the year.

## Sukhjit Mega Food Park & Infra Limited, Phagwara

---

### (h) Deferred Tax

The company has accounted for Deferred tax as for difference of book values of assets and liabilities with their tax base, using the tax rates as of the balance sheet date.

### (i) Related Party disclosure

(A) Party which significantly influence the company :

M/s THE SUKHJIT STARCH & CHEMICALS LIMITED, PHAGWARA (HOLDING COMPANY)

Share of company held by holding company	Current Year	Previous Year
The Sukhjit Starch & Chemicals Ltd., (Holding Company)	100%	99.65%

(B) Parties which are significantly influenced by the company : NIL

(C) Key Management Personnel compensation : ₹ 1.05 lacs

(D) Related Party Disclosures (₹ Lacs)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Rent paid (To the Sukhjit Starch & Chemicals Ltd.)	0.60	0.60
Rent received M/s Sukhjit Corn Products & Chemicals Ltd. (a unit of Sukhjit Starch & Chemicals Ltd.)	0.07	Nil

(E) Outstanding Balance at the end of the year 23.72 47.90

### (j) Government Grant

The Company has received a sum of ₹ 15 crore towards first installment of grant in Aid from Ministry of Food Processing Industries, government of India for setting up of Mega Food Park at Village Rehana Jattan Tehsil Phagwara Distt. Kapurthala. The company is eligible for total grant in aid of ₹ 50 crore as per approval from the Ministry .

In current financial year 2017-18, a sum of ₹ 50,00,000 is recognised as revenue, being one year's equivalent of its ₹ 15 crore spread over 30 years life of project. The balance amount is held as deferred income.

### (k) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash in hand and balances with bank.

### (l) Borrowing Cost

Borrowing costs relating to period prior to acquisition of fixed assets and pre-construction period are capitalized as part of costs of fixed assets.

---

#### AUDITOR'S REPORT

As per our separate report of even date

For MANCHANDA & COMPANY,

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Memb. No. 098558

For and On behalf of the Board

DIRECTORS [ I.K. SARDANA  
K.K. SARDANA  
DHIRAJ SARDANA  
BHAVDEEP SARDANA

Place : Phagwara

Dated : 25th May, 2018



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018**

3. PROPERTY, PLANT & EQUIPMENT Particulars	Computer	Furniture	Capital Work in Progress
Cost at April 1, 2016	–	–	10.83
Add : Addition during the year	–	–	7.81
Less : sale during the year	–	–	–
Total	–	–	18.64
Less : Depreciation during the year	–	–	–
<b>Closing value at March 31, 2017</b>	–	–	18.64
Cost at April 1, 2017	–	–	18.64
Add : Addition during the year	2.26	0.76	1,607.35
Less : sale during the year	–	–	–
Total	2.26	0.76	1,625.99
Less : Depreciation during the year	0.48	0.22	–
<b>Closing value at March 31, 2018</b>	<b>1.78</b>	<b>0.54</b>	<b>1,625.99</b>

**Property, Plant and Equipment**

Computer	1.78
Furniture	0.54
	<u>2.32</u>

**Capital Work in Progress**

Building under construction	481.12
Plant & Machinery under construction	189.75
Advance for work in progress	955.12
	<u>1,625.99</u>

Particulars	AS ON 31.3.2018 (Amount ₹)	AS ON 31.3.2017 (Amount ₹)	AS ON 31.3.2016 (Amount ₹)
<b>4. DEFERRED TAX ASSET</b>			
Deferred Tax Asset	8.20	9.38	6.46
	<u>8.20</u>	<u>9.38</u>	<u>6.46</u>
<b>5. OTHER NON CURRENT ASSETS</b>			
Pre-operative Expenses	178.85	78.18	66.34
	<u>178.85</u>	<u>78.18</u>	<u>66.34</u>
<b>6. CASH &amp; CASH EQUIVALENTS</b>			
Balances with Scheduled Bank in current account	1,027.56	0.33	1.48
Cash in Hand	0.65	–	0.16
	<u>1,028.21</u>	<u>0.33</u>	<u>1.64</u>
<b>7. OTHER CURRENT ASSETS</b>			
Taxes Recoverables	8.54	–	0.40
Sundry Advances	3.75	0.20	0.30
	<u>12.29</u>	<u>0.20</u>	<u>0.70</u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018**

	AS ON 31.3.2018 (Amount ₹)	AS ON 31.3.2017 (Amount ₹)	AS ON 31.3.2016 (Amount ₹)
<b>8. EQUITY SHARE CAPITAL</b>			
<b>Equity Share Capital</b>			
<b>Authorised Capital</b>			
3,50,00,000 Equity Shares of ₹ 10/- each	3,500.00		
90,00,000 Equity Shares of ₹ 10/- each		900.00	
90,00,000 Equity Shares of ₹ 10/- each	<u>          </u>	<u>          </u>	<u>900.00</u>
<b>Issued, Subscribed &amp; Paid up Capital</b>			
120,42,000 Eq. Shares of ₹ 10/- each fully paid up	1,204.20		
10,03,500 Equity Shares of ₹ 10/- each		100.35	
10,03,500 Equity Shares of ₹ 10/- each	<u>1,204.20</u>	<u>100.35</u>	<u>100.35</u>
			<u>100.35</u>
			<u>100.35</u>
Share of company held by holding company			
The Sukhjit Starch & Chemicals Ltd. holds 1,20,42,000 share (forming 100% of total shares) on March 31, 2018			
The Company holds 10,00,000 share (forming 99.65% of total shares) on March 31, 2017 and April 1, 2016			
<b>9. OTHER EQUITY</b>			
Reserve & Surplus			
(a) Capital Reserve	-	-	-
(b) Security Premium Reserve	-	-	-
(c) Other Reserve (See note 1[jj])	1450.00	-	-
(d) Retained Earnings			
Deficit Brought forward	(41.90)	(14.46)	-
Add : Deficit for the period	<u>(3.08)</u>	<u>(27.44)</u>	<u>(14.46)</u>
	<u>1,405.02</u>	<u>(41.90)</u>	<u>(14.46)</u>
<b>10. BORROWING</b>			
Secured Loan			
Term Loan from YES Bank Ltd. secured against all Current & Moveable Fixed Assets	200.00	-	-
	<u>200.00</u>	<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u>
<b>11. OTHER NON CURRENT LIABILITIES</b>			
Securities received	12.15	-	-
	<u>12.15</u>	<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u>
<b>12. TRADE PAYABLES</b>			
Sundry Creditors	5.12	0.38	0.08
	<u>5.12</u>	<u>0.38</u>	<u>0.08</u>
		<u>          </u>	<u>          </u>
<b>13. OTHER CURRENT LIABILITIES</b>			
Advance from Holding Company (The Sukhjit Starch & Chemicals Ltd.)	23.72	47.90	-
Taxes Payable	2.39	-	-
Expense Payable	3.26	-	-
	<u>29.37</u>	<u>47.90</u>	<u>          </u>
		<u>          </u>	<u>          </u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2018**

	AS ON 31.3.2018 (Amount ₹)	AS ON 31.3.2017 (Amount ₹)
<b>14. OTHER INCOME</b>		
Interest	-	0.01
Rent	0.07	-
Tender document fees	3.71	-
Government Grant	50.00	-
(See Note 1[j])	-	-
	<u>53.78</u>	<u>0.01</u>
<b>15. EMPLOYEES BENEFITS EXPENSE</b>		
Salaries & Wages	19.87	5.80
Employee Welfare	0.13	-
	<u>20.00</u>	<u>5.80</u>
<b>16. FINANCE COST</b>		
Bank Interest	(6.10)	-
Less : Amount (Capitalised)	(6.10)	-
Note : Borrowing cost is capitalised under capital WIP (See Note 1[j])	-	-
	<u>-</u>	<u>-</u>
<b>17. OTHER EXPENSES</b>		
<b>(a) Manufacturing Expenses</b>	-	-
<b>(b) Administration, Selling &amp; Other Expenses</b>		
Advertisement	1.45	-
Auditor's Remuneration :		
For Statutory Audit	0.20	0.05
Bank Charges	2.01	-
Business promotion Expense	3.75	-
Electricity power consumed	0.47	-
Lease Rent	20.90	19.05
Petrol	0.01	-
Printing & Stationery	0.33	0.02
Professional Fees	2.22	0.18
Filling Fees	0.28	0.17
Travelling Expenses	2.49	4.49
Taxes & Registration	0.70	0.03
Telephone Expenses	-	0.03
Entertainment	-	0.38
General Expenses	0.06	0.04
Repair Charges	0.11	0.14
	<u>34.98</u>	<u>24.57</u>
	<u>34.99</u>	<u>24.57</u>

AUDITOR'S REPORT

As per our separate report of even date  
For MANCHANDA & COMPANY,  
Chartered Accountants,  
Firm Registration Number 001678N  
Sd/-  
(RAHUL MANCHANDA)  
Partner  
Memb. No. 098558

For and On behalf of the Board

DIRECTORS { I.K. SARDANA  
K.K. SARDANA  
DHIRAJ SARDANA  
BHAVDEEP SARDANA

Place : Phagwara  
Dated : 25th May, 2018