

VIKAS PROPPANT & GRANITE LIMITED

(Formerly known as Vikas Granaries Limited)

CIN: L14100HR1994PLC036433

Corporate Office: F-88/89, Udyog Vihar,
RIICO Industrial Area, Sri Ganganagar – 335002 (Raj.)



October 17th, 2018

To,

The General Manager,
Bombay Stock Exchange
Corporate Relation Department,
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai – 400001

Ref: Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)
(Scrip Code-531518)

Subject: Compliance of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [“Listing Regulation”]

Dear Sir/Madam,

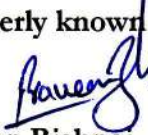
In compliance with Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [“Listing Regulation”], please find attached herewith annual report for the financial year 2017-18 duly approved and adopted by the shareholders at the 24th Annual General Meeting held on 29th September 2018.

Kindly take the above information on record.

Thanking You,

Yours Faithfully,

For Vikas proppant & Granite Limited
(Formerly known as Vikas Granaries Limited)


Praveen Bishnoi
Company Secretary

Membership No.: A48331



Registered Office: Hissar Road, Siwani -127046 (India)

E-mail: office@vikasgranaries.in Website: www.vikasgranaries.in

Telephone: 0154 – 2494319, FAX: 0154 - 2494361



VIKAS PROPPANT & GRANITE LIMITED

(Formerly known as Vikas Granaries Limited)



24th ANNUAL REPORT
2017-18

Board of Director

Mrs. Bimla Devi Jindal Chairman & Managing Director	Mr. Bajrang Dass Aggarwal Director	Mrs. Kamini Jindal Director
Mr. Ravi Sharma Independent Director	Mr. Neeraj Chhabra Independent Director	Mrs. Deepika Aggarwal Independent Director

Company Secretary and Compliance Officer

Mr. Praveen Bishnoi

Audit Committee

Mr. Ravi sharma Chairman	Mr. Neeraj Chhabra Member	Mr. Bimla devi Jindal Member
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Corporate Social Responsibility Committee

Mrs. Bimla Devi Jindal Chairman	Mr. Bajrang Dass Aggarwal Member	Mr. Ravi sharma Member
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Stakeholder Relationship Committee

Mrs. Deepika Aggarwal Chairman	Mr. Ravi sharma Member	Mr. Neeraj Chhabra Member	Mrs. Kamini jindal Member
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Risk Management Committee

Mrs. Bimla devi Jindal Chairman	Mr. Bajrang Dass Aggarwal Member	Mrs. Kamini jindal Member
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Nomination and Remuneration Committee

Mr. Neeraj chhabra Chairman	Mr. Ravi sharma Member	Mrs. Kamini Jindal Member
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Statutory Auditor	Internal Auditor	Secretarial Auditor
Yogesh Mahipal & Associates Chartered Accountants Sri Ganganagar	Sanjay Goyal & Associates Chartered Accountants Sri Ganganagar	Ravindra Gupta & Associates Company Secretaries Sri Ganganagar

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited) will be held on the Saturday, 29th day of September 2018 at 11:00 A.M. at Railway Road, Siwani, Haryana-127046 to transact the following business:

ORDINARY BUSINESS

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

1. **TO CONSIDER AND ADOPT THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018 AND THE REPORT OF THE BOARD OF DIRECTORS AND OF THE AUDITORS THEREON:**

“RESOLVED THAT the Audited Standalone Financial Statements of the Company including Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Statement of changes in equity and the Cash Flow Statement of the Company for the financial year ended March 31, 2018 annexed with notes to the financial statements with reports of the Board of Directors (“the Board”) and Auditors thereon be and are hereby considered and adopted.”

2. **TO APPOINT A DIRECTOR IN PLACE OF MRS. KAMINI JINDAL (DIN: 05268741), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT:**

“RESOLVED THAT Mrs. Kamini Jindal (DIN: 05268741), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.”

3. **TO RATIFY THE APPOINTMENT OF M/S. YOGESH MAHIPAL & ASSOCIATES, CHARTERED ACCOUNTANTS, AS THE STATUTORY AUDITORS OF THE COMPANY**

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and rules made there-under, as amended or re-stated from time to time and pursuant to resolution passed by the members in their 23rd Annual General Meeting held on 30th September 2017, the appointment of M/s. Yogesh Mahipal & Associates, Chartered Accountants (Firm Registration No.: 030845N), as statutory auditors of the Company, be and is hereby ratified.”

SPECIAL BUSINESS

4. **APPROVAL FOR RELATED PARTY TRANSACTION.**

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

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the proposed transaction between Company and

1. M/s Vikas WSP Limited (a related party)
2. M/s Vegan Colloids Limited (a related party)
3. M/s Vikas Chemi Gums (India) Limited (a related party)

for Sale and Purchase of goods in its absolute discretion on the terms as agreed / may be agreed between Board

of Directors and above-mentioned related parties and as briefly mentioned in the explanatory statement to this resolution.

RESOLVED FURTHER THAT Smt. Bimla Devi (Managing Director) and Sh. Bajrang Dass Aggarwal (Director) of the Company be and are hereby individually authorised to sign any document or agreement for above proposed transaction on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution.”

5. TO ISSUE UP TO 11,35,00,000 EQUITY SHARES ON A PREFERENTIAL BASIS TO PROMOTER'S OF THE COMPANY

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

“**RESOLVED THAT** in accordance with the provisions of Section 23(1)(b), 62(1)(c) & 42 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 & Companies (Share Capital & Debentures) Rules, 2014 read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (listing obligation & Disclosure Requirements) Regulations, 2015 and any other law, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities Contracts (Regulation) Act, 1956, as amended, the Foreign Exchange Management Act, 1999, directions issued by the Reserve Bank of India, the Listing Agreements entered into by the Company with the stock exchanges on which the equity shares of the Company are listed (the “Stock Exchanges”), the Securities and Exchange Board of India (“SEBI”), Stock Exchanges, Reserve Bank of India (“RBI”), Foreign Exchange Promotion Board (“FIPB”), Competition Commission of India (“CCI”), Government of India and all other concerned statutory authorities, if and to the extent necessary, and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed in granting of such approvals, permissions and sanctions by any of the aforesaid authorities, consent of the members of the Company be and is hereby accorded for exercising the powers conferred on the Board of Directors of the Company to create, offer and issue Equity Shares by way of preferential issue on private placement basis to following promoter on such other terms and conditions as board may decide to be issued by the Company in respect of the Preferential Issue on private placement basis to the Promoter of the Company.

1. **Mrs. Kamini Jindal**, Promoter of the Company to allot 1,35,00,000 (One Crore Thirty-Five Lac) equity shares having face value of Re. 1/- each at the price of **Rs. 2.50 each** fully paid aggregate amounting to Rs. 3,37,50,000/- (Rupees Three Crore Thirty-Seven Lac fifty thousand Only),
2. **Mrs. Bimla Devi Jindal**, Promoter of the Company to allot 10,00,00,000 (Ten Crore) equity shares having face value of Re. 1/- each at the price of **Rs. 2.50 each** fully paid aggregate amounting to Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only),”

“**RESOLVED FURTHER THAT** all the new equity shares as aforesaid to be issued and allotted in the manner aforesaid shall be subject to the Memorandum and Articles of Association of the Company and the equity shares to be issued and allotted shall rank pari-passu in all respects with the existing equity shares of the Company, including entitlement of dividend except as may be otherwise provided pursuant to the terms of the Issue as in the Issue document.”

“**RESOLVED FURTHER THAT** the equity shares allotted on preferential issue to **Mrs. Kamini Jindal & Mrs. Bimla Devi Jindal** shall be locked in for a period of three years as per the applicable Rules & Regulations.”

“**RESOLVED FURTHER THAT** for the purposes giving effect to above resolution, the Board be and is hereby authorized to do and perform all such acts, deeds and things as it may, in its absolute discretion deem necessary, desirable or appropriate to settle any question, difficulty or doubt that may arise in regard to the issue of equity shares as it may think fit and to accept on behalf of the Company such conditions and modifications, if any, relating to the issue of equity shares which may be imposed, required or suggested by any regulatory authority and which the Committee in its discretion thinks fit and proper.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modification(s) to or to

modify the terms of issue of the said new equity shares subject to the provisions of the Companies Act, 2013 and SEBI/ Listing Guidelines / Regulations without being required to seek any further consent or approval of the Company in general meeting.”

6. TO ISSUE UP TO 21,15,00,000 EQUITY SHARES ON A PREFERENTIAL BASIS TO QUALIFIED INVESTORS (OTHER THAN PROMOTER)

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

“**RESOLVED THAT** pursuant to Section 42 and Section 62 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI (ICDR Regulations)”) and the listing agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed, or any other relevant authority from time to time and Foreign Exchange Management Act, 1999, the Foreign Exchange (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 and the rules / regulations / guidelines, notifications, circulars, press notes and clarifications issued from time to time by Government of India, the Reserve Bank of India, to the extent applicable and subject to (i) execution of definitive agreements and the conditions therein specified if any and (ii) approvals, consents, permissions and sanctions as might be required and (iii) such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorized to accept, issue, offer and allot **21,15,00,000 (Twenty-One Crore Fifteen Lac)** equity shares having face value of Re. 1/- each to followings allottee’s on such terms and condition as mentioned in the explanatory statement :

1. Issuance of 10,50,00,000 Equity Shares having face value of Re. 1/- each to Kanta Devi D/o Pahlad Rai having **PAN No.: BAMPD7042J** at the price of Rs. 2.50 Per Share fully paid aggregate amounting to Rs. 26,25,00,000 (Twenty-Six Crore Twenty-Five Lac Only)
2. Issuance of 10,65,00,000 Equity Shares having face value of Re. 1/- each to Komal D/o Madan Lal Gupta having **PAN No.: DSSPK2912L** at the price of Rs. 2.50 Per Share fully paid aggregate amounting to Rs. 26,62,50,000 (Twenty-Six Crore Sixty-Two Lac Fifty Thousand Only)”

“**RESOLVED FURTHER THAT** the issue and allotment of the Equity Shares to the Proposed Allottees shall be on the following terms and conditions:

• The “relevant date” for the preferential issue, as per the SEBI (ICDR Regulations), as amended from time to time, for the determination of minimum price for the issue of the above-mentioned Equity Shares shall be 30th August 2018, being the date 30 days prior to the date of Annual General Meeting (i.e. 29.09.2018).”

“**RESOLVED FURTHER THAT**

- i) The consideration of the Equity Shares shall be received from the Allottees in kind **i.e.** of lease of Land having granite mines beneath;
- ii) The Equity Shares to be issued and allotted shall be listed and traded on BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- iii) The Equity Shares allotted to Allottee shall rank pari passu with then existing Equity Shares of the Company, from the date of their allotment. Such new Equity Shares when issued and allotted as aforesaid shall also be entitled for dividend as per the regulations / notifications / clarifications issued by SEBI in this regard;
- iv) The Equity Shares allotted on a preferential basis shall remain locked in as per the provisions of SEBI (ICDR Regulations), 2009;
- v) The Board be and is hereby authorized to accept any modification(s) to or modify the terms of issue of Equity Shares, subject to the provisions of the Act and SEBI (ICDR Regulations), without being required to seek any further consent or approval of the members of the Company.”

- vi) Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares on the Bombay Stock Exchange (BSE) during the last twenty-six weeks preceding the relevant date (considering relevant date as 30th August 2018).
- vii) Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares on the Bombay Stock Exchange (BSE) during the last two weeks preceding the relevant date”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to settle any question or difficulty that may arise with regard to the issue and allotment of Equity Shares.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution.”

7. TO APPROVE VIKAS GRAN EMPLOYEES STOCK OPTION PLAN 2018 (ESOP 2018)

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

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under and in accordance with the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), and subject to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the member(s) of the Company be and is hereby accorded to the formulation and implementation of ‘**Vikas Gran Employees Stock Option Plan 2018**’ (hereinafter referred to as “ESOP 2018” or the “Scheme”) and authorizing the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee, including the Nomination, Remuneration & Compensation Committee, which the Board has constituted to exercise certain powers, including the powers, conferred by this resolution) to create, grant, offer, issue and allot from time to time, in one or more tranches, not exceeding **85,00,000 (Eighty Five Lac) Equity Shares having face value of Re. 1/- each** Stock Options to or for the benefit of such

- (i) Permanent employees of the Company whether working in India or outside India;
- (ii) Directors of the Company, whether a Whole-time Director or not but not an Independent Director;
- (iii) Permanent employees and Directors (other than independent directors) of a holding and/or subsidiary company(ies) (present & future) of the Company whether working in India or outside India; and

(iv) Other employees and persons as may be permitted under the applicable laws and as may be approved by the Board, from time to time, which would give rise to the issue of equity shares not exceeding **85,00,000 (Eighty-Five Lac) Equity Shares having face value of Re. 1/- each** according to ESOP Policy, at such price, in one or more tranches and on such terms and conditions, as contained in the Scheme and summarized in the Explanatory Statement annexed hereto and to provide for grant and subsequent vesting and exercise of options by eligible employees in the manner and method contained in the Explanatory Statement, as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2018.

RESOLVED FURTHER THAT pursuant to provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”) and other applicable laws, if any, consent of the member(s) of the Company be and is hereby accorded to the Board of Directors including Nomination, Remuneration & Compensation Committee to implement the ‘**Vikas Gran Employees Stock Option Plan 2018**’ (hereinafter referred to as “ESOP 2018” or the “Scheme”) through the Vikas Gran Employees Welfare Trust (“ESOP Trust”).

RESOLVED FURTHER THAT the equity shares to be issued and allotted as mentioned herein before shall rank pari passu with the then existing equity shares of the Company for all purposes.

RESOLVED FURTHER THAT in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling as aforesaid of **85,00,000 (Eighty-Five Lac) Equity Shares having face value of Re. 1/- each** shall be deemed to be increased/decreased, as may be determined by the Board, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the equity shares allotted under ESOP 2018, from time to time, on the Stock Exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations and any other applicable laws and regulations to the extent relevant and applicable to ESOP 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, decide upon and bring into effect the ESOP 2018 as per the terms approved in this resolution and at any time to modify, change, vary, alter, amend, suspend or terminate ESOP 2018 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP 2018 and do all other things incidental to and ancillary thereof.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including authorizing the Board to appoint various intermediaries, Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2018 as also to make applications to the appropriate Authorities, for their requisite approvals as also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

Registered Office:

Siwani
Corporate Office
 Sri Ganganagar

By the order of Board

Bimla Devi Jindal
 Managing Director
DIN: 00034997
Address: 123, Vinoba Basti,
 Sri Ganganagar - 335001

Place: Sri Ganganagar

Date: 04/09/2018

NOTES:

1. A member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty-eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable
2. Information regarding particulars of the Director to be appointed and the Director seeking appointment/re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standards-2 on General Meetings are also annexed as Annexure-A and the explanatory statement pursuant to Section 102 of the Companies Act, 2013, are annexed hereto. The directorships held by the Directors considered for the purpose of disclosure does not include the directorships held in foreign companies. The Committee chairmanships/memberships considered for the purposes of disclosure

are those prescribed under Regulation 18 & 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit and Risk Management Committee and Stakeholders' Relationship Committee respectively of Indian public limited companies.

3. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
4. Members are requested to bring their attendances slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
7. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
8. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

The members are requested to get their shares dematerialized. The company's ISIN Code INE767B01022.

9. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following: office@vikasgranaries.in

The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

10. The Members are requested to notify immediately change of address and e-mail address, if any, to :-
 - i) The Company's Registrar & Transfer Agent, M/s LINK INTIME INDIA PRIVATE LIMITED, 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR, Naraina, New Delhi-110028 in case the shares are held in physical form and
 - ii) To the respective Depository Participant (DP) with whom the members are having their Demat Accounts, in case the shares are held in electronic form.

According to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018 & Circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16.07.2018, wherein the company is required to obtain the copy of Pan Card and Bank details from all shareholders holding shares of the Company in physical form. Those shareholders holding shares in physical form and who have not updated their PAN and Bank details are hereby requested to update PAN & Bank details by filling up the Annexure-A attached to this notice and submit scanned copies either by e-mail at office@vikasgranaries.in / sunil.mishra@linkintime.co.in or hard copy through Post addressing to the Company Secretary, Vikas proppant & Granite Limited or to our Registrar & Share Transfer Agents.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested

to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA of the Company

- (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link www.evoting.nsdl.com during the following voting period:

Commencement of e-voting	:	From 10:00 A.M. on 26 th September 2018
End of e-voting	:	Up to 05:00 P.M. on 28 th September 2018

e-voting shall not be allowed beyond 05:00 P.M., 28th September 2018. During the e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is Saturday, 22nd September 2018.

- (b) The company has engaged the services of CDSL as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed Ravindra Gupta & Associates, Practising Company Secretary, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting system" means a secured system-based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate cyber security.

It also helps the shareholders to cast their vote from anywhere and at any time during e-voting period.

The instructions for shareholders voting electronically are as under:

The voting period begins on 26.09.2018 at 10.00 A.M. and ends on 28.09.2018 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date 22.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders.

Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

- (iv) After entering these details appropriately, click on “**SUBMIT**” tab.
- (v) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- (vi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for Vikas Proppant & Granite Limited on which you choose to vote.
- (viii) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/ NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (x) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xi) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiii) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system
- (xiv) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. • A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item No. 4 of the accompanying Notice

ITEM NO. 4:

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party,

1. M/s Vikas WSP Limited (a related party)
2. M/s Vegan Colloids Limited (a related party)
3. M/s Vikas Chemi Gums (India) Limited (a related party)

the Company must obtain prior approval of the Board of Directors and in case of the transaction value exceeds the limit specifies in the act, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party’s appointment to any office or place of profit in the company, its subsidiary company or associate company: and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

ITEM 5 & 6 :

Vikas group is one of India’s foremost guar gum powder (GGP) manufacturer, supplying to all sectors of the food industry with an extensive range of quality products. Besides food, the Group also offers guar gum for technical applications such as pet food, oil drilling, textile printing, mining paper, etc. Now the Company has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. For completion of the planned projects the Company has approaches the Proposed Allottees (“Allottees”) to allot the Equity Shares of the Company on preferential basis in consideration of lease of land having granite beneath.

Pursuant to provisions of Section 62(1)(C) of Companies Act, 2013, any preferential allotment of securities needs to be approved by the shareholders by way of Special Resolution. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription pro-rata to the shareholders unless the shareholders in a general meeting decide otherwise. The proposed issue of shares is in accordance with the provisions of SEBI (ICDR Regulations) and other applicable regulations, if any. In terms of the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 Disclosure under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the aforesaid, the relevant disclosures are given below:

(i) **The object of the issue through preferential offer:**

Now the Company has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. For completion of the planned projects the Company needs the land having granites beneath. The proposed allottees have the land having granite beneath therefore, company proposes the preferential allotment in consideration of lease of land having granite beneath.

(ii) **Total Number of shares to be offered-**

Sr. No.	Proposed Allottee	Number of Equity	Category
1.	Mrs. Kamini Jindal	1,35,00,000	Promoter
2.	Mrs. Bimla Devi Jindal	10,00,00,000	Promoter
3.	Mrs. Kanta Devi	10,50,00,000	Qualified Investor (Other than
4.	Mrs. Komal	10,65,00,000	Qualified Investor (Other than
Total		32,50,00,000	

- (a) To issue **Mrs. Kamini Jindal**, Promoter of the Company to allot 1,35,00,000 (One Crore Thirty-Five Lac) equity shares having face value of Re. 1/- each at the price of Rs. 2.50 each fully paid aggregate amounting to Rs. 3,37,50,000/- (Rupees Three Crore Thirty-Seven Lac fifty thousand Only),
- (b) To issue **Mrs. Bimla Devi Jindal**, Promoter of the Company to allot 10,00,00,000 (Ten Crore) equity shares having face value of Re. 1/- each at the price of Rs. 2.50 each fully paid aggregate amounting to Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only),
- (c) To issue 10,50,00,000 Equity Shares having face value of Re. 1/- each to Kanta Devi D/o Pahlad Rai having **PAN No.: BAMPD7042J** at the price of Rs. 2.50 Per Share fully paid aggregate amounting to Rs. 26,25,00,000 (Twenty-Six Crore Twenty-Five Lac Only),
- (d) To issue 10,65,00,000 Equity Shares having face value of Re. 1/- each to Komal D/o Madan Lal Gupta having **PAN No.: DSSPK2912L** at the price of Rs. 2.50 Per Share fully paid aggregate amounting to Rs. 26,62,50,000 (Twenty-Six Crore Sixty-Two Lac Fifty Thousand Only)

(iii) **Shareholding pattern of the issuer before and after the preferential issue**

Sr. No.	Category	Pre-Issue		Post Issue	
		No. of shares held	% of share	No. of shares	% of share
A. Promoter's Holding:					
1.	Indian				
	Individual	11512280	6.35	125012280	24.70
	Bodies Corporate	0	0	0	0
	Sub Total	11512280	6.35	125012280	24.70
2.	Foreign Promoters	0	0	0	0
	Sub Total: (A)	11512280	6.35	125012280	24.70
B. Non –Promoter's holding:					
1.	Mutual Fund	0	0	0	0
2.	Foreign Portfolio Investors	0	0	0	0
3.	Financial Institutions / Banks	0	0	0	0
4.	Individual	155141335	85.63	366641335	72.43
5.	Others	14521385	8.02	14521385	2.87
	Sub Total: (B)	169662720	93.65	381162720	75.30
	GRAND TOTAL:	181175000	100	506175000	100

(iv) **The proposed time of completion of allotment**

As required under Chapter VII of the Securities and Exchange Board of India (Issue of capital and disclosure Requirements) Regulations, 2009, the allotment is proposed to be made within 15 (Fifteen) days of date of passing of the resolution, if any approval or permission by any regulatory authority or the Central Government for allotment is pending, the period of fifteen days shall be counted from the date of order on such application or the date of approval or permission, as the case may be

(v) **The price at which the allotment is proposed**

The allotment is proposed to be made at a price of Rs. 2.50 per share.

(vi) **The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.**

Sr. No.	Name of the Proposed Allottee	Category	Ultimate Beneficial Owners	Pre-Issue no. of Equity Shares / Preferential Shares	Number of Equity Shares proposed to be allotted	Post Issue capital	% of Holding
1.	Kamini Jindal PAN: - AMIPJ8101H	Promoter	Own self	NIL	1,35,00,000	50,61,75,000	2.67%
2.	Bimla Devi Jindal PAN: ABSPJ6495R	Promoter	Own Self	NIL	10,00,00,000	50,61,75,000	19.76%
3.	Kanta Devi PAN: - BAMPD7042J	Non-Promoter	Own self	NIL	10,50,00,000	50,61,75,000	20.74%
4.	Komal PAN: - DSSPK2912L	Non-Promoter	Own self	NIL	10,65,00,000	50,61,75,000	21.04%

(vii) **Undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so;**

The Company has already taken an undertaking from subscriber for the price is recomputed in terms of the provision of the SEBI (ICDR Regulations).

(viii) **Undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.**

The Company has already taken an undertaking from subscriber if the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the SEBI (ICDR Regulations), the specified securities shall continue to be locked in till such amount is paid by the allottees.

(ix) The Company or its promoter or any director is not willful defaulter therefore disclosures, similar to disclosures specified in Part G of Schedule VIII is not required.

(x) **Basis on which the price has been arrived:**

The Equity Shares will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR Regulations). Since the Company is listed on BSE Limited ("BSE"), the trading price of securities of the Company on the stock exchange is taken into consideration for determining the pricing of securities allotted on preferential basis.

THE FACE VALUE OF EQUITY SHARES OF THE COMPANY HAS BEEN REDUCED FROM RS. 10/- EACH TO RE. 1/- W.E.F. 22ND JUNE 2018. THEREFORE, PRICE REFLECTING ON BSE BEFORE 22ND JUNE 2018 IS BASED ON RS. 10/- EACH FACE VALUE AND AFTER 22ND JUNE 2018 IS BASED ON RE. 1/- EACH. THEREFORE, WHILE CALCULATING THE PRICE FOR EACH SHARE IS BASED ON THEIR FACE VALUE BEFORE OR AFTER 22ND JUNE 2018.

Accordingly, the price per equity Share to be issued is fixed at Rs. 2.50 each which is higher of the following.

The average of the weekly high and low of the volume weighted price at the BSE for 26 weeks prior to the Relevant Date	0.96
The average of the weekly high and low of the volume weighted average prices at the BSE for 2 weeks prior to the Relevant Date	1.21

The certificate of Pricing of Preferential Issue is taken from **Ravinder Gupta & Associates, Practicing Company Secretaries**.

The price has been arrived at on the basis of the certificate received by the Company from Mr. Ravinder Gupta & Associates, Practicing Company Secretary (Secretarial Auditors of the Company).

(xi) **Relevant date with reference to which the price has been arrived at:**

The relevant date for the preferential issue, as per the SEBI (ICDR Regulations), as amended from time to time, for the determination of price for the issue of the above-mentioned Equity Shares shall be 30th August 2018 being the date 30 days prior to the date of Annual General Meeting (i.e. 29th September 2018)

(xii) **Intention of promoter and other than promoter to subscribe to the offer**

Mrs. Kamini Jindal (Promoter of the Company), Mrs. Bimla Devi Jindal (Promoter of the Company), Mrs. Kanta Devi (Qualified Investor (other than promoters) and Mrs. Komal (Qualified Investor (other than promoters) of the Company intend to subscribe to this offer for completion of the planned projects.

And the Company has already taken an intention letter and Proposal to subscribe in the issue from Mrs. Kamini Jindal (Promoter of the Company), Mrs. Bimla Devi Jindal (Promoter of the Company), Mrs. Kanta Devi (Qualified Investor (other than promoters) and Mrs. Komal (Qualified Investor (other than promoters)

(xiii) **The name of proposed allottees & post offer capital holding**

S. No	Name of the proposed allottees	Post offer capital percentage held by them
1.	Mrs. Kamini Jindal	2.67%
2.	Mrs. Bimla Devi Jindal	19.76%
3.	Mrs. Kanta Devi	20.74%
4.	Mrs. Komal	21.04%

(xiv) **The change in control**

Subsequent to this preferential allotment of equity shares, there is no change in control of the Company.

(xv) **Number of persons to whom allotment on preferential basis have already been made during the year**

Company has not made preferential allotment to any person during the year.

(xvi) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer**

a) The Allotment will be made on consideration of lease of Land having granite mines beneath. The price has been decided based on the valuation report of the **S Prakash & Co (Chartered Accountants)**.

b) The proposed allottee(s) agrees to give the land on lease to Company for 99 years. Land is situated at Jaipur-Jodhpur Highway, Kaparda, Jodhpur, Rajasthan. Valuation of Consideration for each allottee(s) are as under:

- **Kamini Jindal:** Land 13.50 Bighas @ **Rs. 25,00,000/- (Twenty-Five Lac Only)** per Bigha aggregating to Rs. 3,37,50,000/- (Rupees Three Crore Thirty-Seven Lac fifty thousand Only).
- **Bimla Devi Jindal:** Land 100 Bighas @ **Rs. 25,00,000/- (Twenty-Five Lac Only)** per bigha amounting to **Rs. 25,00,00,000/- (Rupees Twenty-Five Crore Only)**.
- **Kanta Devi:** Land 105 Bighas @ **Rs. 25,00,000/- (Twenty-Five Lac Only)** per bigha amounting **Rs. 26,25,00,000 (Twenty-Six Crore Twenty-Five Lac Only)**
- **Komal:** Land 106.5 Bighas @ **Rs. 25,00,000/- (Twenty-Five Lac Only)** per bigha aggregating to Rs. 26,62,50,000 (Twenty-Six Crore Sixty-Two Lac Fifty Thousand Only)

(xvii) Company has received a certificate from the statutory auditor of the Company certifying that the issue is being made in accordance with the requirements of **SEBI (ICDR) Regulations** and company will place that certificate before the general meeting of the shareholders

Terms of Issue of Equity Shares:

The consideration shall be received from respective allottee's in kind i.e.; Lease of Land having granite mines beneath. The price has been decided on the basis of the valuation report of the **S Prakash & Co (Chartered Accountants)**.

Upon receipt of the requisite payment as above, the Board (or a Committee thereof) shall allot:

- To issue 1,35,00,000 equity shares as per SEBI guidelines to allot fresh equity shares on preferential basis at a price of Rs. 2.50 Per Share to **Mrs. Kamini Jindal (Promoter)**.
- To issue 10,00,00,000 equity shares as per SEBI guidelines to allot fresh equity shares on preferential basis at a price of Rs. 2.50 Per Share to **Mrs. Bimla Devi Jindal (Promoter)**.
- To issue 10,50,00,000 equity shares as per SEBI guidelines to allot fresh equity shares on preferential basis at a price of Rs. 2.50 Per Share to **Mrs. Kanta Devi (Non-Promoter)**.
- To issue 10,65,00,000 equity shares as per SEBI guidelines to allot fresh equity shares on preferential basis at a price of Rs. 2.50 Per Share to **Mrs. Komal (Non-Promoter)**.

Lock in Period

The Equity Shares allotted on preferential basis to **Mrs. Kamini Jindal and Bimla Devi Jindal** under **SEBI (ICDR) Regulations, 2009** and amended as on date shall be locked in for a period of three years from the date of their date of trading approval and other provisions of the Regulation 13.3 of **SEBI (DIP) GUIDELINES, 2000** and amended as on date.

The Equity Shares allotted on preferential basis to **Mrs. Kanta Devi and Mrs. Komal** under SEBI (ICDR) Regulations, 2009 and amended as on date shall be locked in for a period of One year from the date of their date of trading approval and other provisions of the Regulation 13.3 of **SEBI (DIP) GUIDELINES, 2000** and amended as on date.

Currency of shareholder resolutions

Allotment pursuant to the resolution passed at the Annual General Meeting which will be held on 29.09.2018 (meeting of shareholders) for granting consent for preferential issues of Equity Shares shall be completed within a period of 15 (fifteen days) from the date of passing of the resolution.

Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

Other relevant information:

No. of Shares and percentage of holding shall be determined on the basis of valuation /pricing certificate to be obtained from the Practicing Company Secretary of the Company as on the relevant date i.e. 30.08.2018.

Pursuant to section 42 & section 62(1)(c) of the Companies Act 2013, the above said proposal requires the consent of the members of the Company by the way of special resolution.

The proposed resolution does not relate to or effect the business interest of any other Company in which the Promoter, Director, Manager or Key Managerial Personnel have substantial interest.

Mrs. Bimla Devi Jindal, Mrs. Kamini Jindal and Mr. Bajrang Dass Jindal (As a promoter and family members) are interested in the resolution and none of other directors are interested in the resolution.

Item No. 7:

In order to attract, reward and retain the talented and key Employees in the competitive environment and encourage them to align individual performance with company objectives, the Company intends to implement Vikas Gran Employees Stock Option Plan 2018 ("ESOP 2018" or the "Scheme"). Pursuant to Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**Securities and Exchange Board of India (Share Based Employee Benefits) Regulations**"), the Company is seeking approval of its members to offer ESOP 2018 scheme to eligible employees (defined herein below). As per the "**Securities and Exchange Board of India (Share Based Employee Benefits) Regulations**", approval of member(s) by way of a separate Special Resolution is also required to be obtained by the Company, if the benefits of the ESOP 2018 are to be extended to the employees of the Company.

The main features of the ESOP 2018 are as under:

a) Brief description of the Scheme:

The Company proposes to introduce ESOP 2018 to attract, reward and retain the talented and key eligible employees of the Company in the competitive environment and encourage them to align individual performance with the Company's objectives. The Company views employee stock options as instruments that would enable the employees to share the value they would create and contribute to the Company in the years to come. Options granted under the Scheme shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment/transfer of equity shares of the Company. The Nomination, Remuneration & Compensation Committee ("Committee") shall administer ESOP 2018. All questions of interpretation of the ESOP 2018 shall be determined by the Committee and such determination shall be final, conclusive and binding for implementation or administration of Scheme:

b) Total number of Options to be granted:

The total number of options to be granted under ESOP 2018 shall not exceed 85,00,000 (Eighty-Five Lac) shares having face value of Re. 1/- each. Each option when exercised shall be converted into 1 (one) fully paid up equity share of the Company. The options may be granted in one or more tranches as may be decided by the Committee. In case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling as aforesaid of 85,00,000 (Eighty-Five Lac) shares having face value of Re. 1/- each shall be deemed to be increased/decreased, as may be determined by the Committee, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP 2018 such that the total value to the employee of the options remains the same after the corporate action.

c) Identification of classes of employees entitled to participate in ESOP 2018:

Following classes of employees are entitled to participate in ESOP 2018.

- a) Permanent employees of the Company, whether working in India or outside India;
- b) Director of the Company, whether a whole-time director or not;
- c) Such other persons, as may from time to time be allowed under Applicable Laws and as may be decided by the Committee.

Following persons are not eligible to participate in the ESOP 2018:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) Requirements of vesting and period of vesting:

Options Granted under this Scheme would vest based upon the performance criteria or any other criteria as may be decided by the Committee and specified in the Grant Letter. The vesting period shall commence any time after the expiry of 1 (one) year from the date of the Grant of such options and shall end over a maximum period of 5 (five) years from the Grant date.

e) Maximum period within which the options shall be vested:

The maximum period within which options granted under ESOP 2018 shall vest would not be more than 5 (five) years from the date of grant of such options.

f) Exercise price or pricing formula:

The exercise price shall be fixed by the Committee at its discretion and specified in the grant letter, but it shall not be less than the face value of the shares (subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations).

g) Exercise period and the process of Exercise:

Eligible Employee will be permitted to exercise vested options on and from the date of vesting of the options for an exercise period as may be determined by the Committee and set out in the Grant Letter. However, in no event shall the Exercise Period exceed a period of 5 (five) years from the Vesting Date. The vested options shall be exercisable by the employees by submitting an application to the Company/Committee/Trust, expressing his/her desire to exercise such vested options in such manner and in such format as may be prescribed by the Committee. The vested options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under ESOP 2018:

The appraisal process for determining the eligibility shall be decided by the Committee from time to time. Options would be distributed based on:

- performance of the Employee
- hierarchy and responsibilities of the Employee
- period of association of the employee with the Company
- the Employee's present and potential contribution to the success of the Company.

i) Maximum number of Options to be issued per employee and in aggregate:

Maximum options to be issued per employee shall be less than the number of options entitling grantees the voting rights for 1% or more of the issued capital in a financial year.

j) Maximum quantum of benefits to be provided per employee under the ESOP 2018:

The maximum quantum of benefits underlying the options issued to an eligible employee shall be equal to the difference between the option exercise price and the market price of the shares as on the exercise date.

k) Disclosure and Accounting Policies:

The Company shall comply with the accounting policies and disclosure requirements prescribed under Regulation 15 of **SEBI (SBEB) Regulations**.

l) Method of option valuation:

The Company shall adopt the fair value method or any other method as per applicable accounting standards prescribed by the Institute of Chartered Accountants of India or prescribed under any other statutory provisions from time to time for valuation of options.

m) Implementation or administration of Scheme:

The Scheme shall be implemented and administered directly by the Company/or through the ESOP Trust.

n) Amount of loan to be provided for implementation of the Scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

Currently the Company proposes to allot shares to eligible employees upon exercise of the options by way of a primary issuance of shares. Therefore, currently no loan is sought to be provided to the ESOP Trust by the Company.

o) Declaration (if applicable):

In case the Company has opted for Intrinsic Value method for expensing of the benefits of the scheme, the difference between the Employee compensation cost so computed and the Employee compensation cost that shall have been recognized if it had used the Fair Value, will be disclosed in the Directors' Report and the impact of this difference on profits and on Earnings Per Share ("EPS") of the Company will also be disclosed in the Directors' Report.

As the ESOP 2018 provides for issue of Shares to be offered to employees of the Company, Consent of the members is being sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Act and as per Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations.

The Directors or the Key Managerial Personnel of the Company except the independent Director are interested in the said resolutions according to option granted to them by Compensation Committee. Therefore, they are concerned and interested on the above said resolution.

Your Directors recommend the passing of the resolution(s) mentioned as Special Resolution(s).

Registered Office:

Siwani

Corporate Office

Sri Ganganagar

Place: Sri Ganganagar

Date: 04/09/2018

By the order of Board

Bimla Devi Jindal

Managing Director

DIN: 00034997

Address: 123, Vinoba Basti,
Sri Ganganagar - 335001

Annexure-A

Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company (Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

Name of the Director	Kamini Jindal
Date of birth	16/06/1988
Date of Appointment	11/08/2012
Qualification	Master of Art
Experience in Specific functional areas	She has long experience in Guar Gum Industry.
No. of Equity Shares held in the Company as on March 31, 2018	NIL
Terms & Conditions of reappointment	As per Company's Appointment and Remuneration Policy
*Remuneration last drawn during the year FY 2017-18 (Rs. in lakhs)	NIL
No. of meetings of Board attended during the year	13
Directorship held in other Companies as on March 31, 2018	3 (Vikas WSP Limited, Vegan Colloids Limited and Vikas Chemi Gums (India) Limited)
Relationship with any other director inter-se and KMPs of the Company	Daughter of Mrs. Bjarang Dass Aggarwal (Director)
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Director of Vikas WSP Limited Member of Audit Committee and Risk Management Committee in Vikas WSP Limited

To:

September 04, 2018

[Shareholders holding shares physical form]

Sub.: Seeking copy of PAN CARD and Bank Details

Ref.: SEBI Circular No. : SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20.04.2018 and SEBI/HO/MIRSD/DOS1/CIR/P/2018/115 dated 16.07.2018

Dear Sir/Madam,

This is with reference to the SEBI Circular No. **SEBI/HO/MIRSD/DOP1/CIR/P/2018/73** dated 20.04.2018 & Circular No. **SEBI/HO/MIRSD/DOS3/CIR/P/2018/115** dated 16.07.2018, wherein the company is required to obtain the copy of Pan Card and Bank details from all shareholders holding shares of the Company in physical form. We have observed from our records that your Pan and Bank details are not updated our records.

We request you to kindly furnish a self-attested copy of your Pan Card and a Cancelled Cheque, along with a duly filled in Form appended as **Annexure-A** to this letter, so that all future dividends could directly be credited to your bank account and we would be able to serve you better in future.

You are requested to send the desired details/documents to the Company's Registrar & Share Transfer Agent (RTA), **M/s LINK INTIME INDIA PRIVATE LIMITED**, 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR, Naraina, New Delhi-110028

You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates etc., and shall be subject to enhanced supervision by the Company. Therefore, you are advised to furnish your Pan and bank details with the company at earliest.

Thanking You,
Yours Faithfully

(Praveen Bishnoi)
Company Secretary

Encl : As above.

Annexure-A

Name of Shareholder(s)	
Folio No.	
Email Id.	
Pan (attached Self attested copy of Pan)	
Bank Details (attach Self attested copy of cancelled Cheque)	
Bank Account No.	
Name of Bank	

Board Report

To the Members,

Your directors are delighted to present 24th Annual Report of your company along with the audited statement of accounts for the year ended 31st March 2018.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures are given hereunder:

Particulars	For the Year ended 2018 (Amount in Lac)	For the Year ended 2017 (Amount in Lac)
Net Sales/ Revenue from Operation	-	311.51/-
Other Income	4.15/-	-
Total Revenue	4.15/-	311.51/-
Profit/Loss Before Tax	(552.19)	(1272.20)
Less:		
(a) Current Income Tax	-	-
(b) MAT tax Credit	-	-
(c) Deferred Tax	(446.75)	112.32
Net Profit/ Loss After Tax	(105.44)	(1384.52)

STATE OF AFFAIRS AND REVIEW OF PERFORMANCE OF THE COMPANY

The highlights of the Company's performance are as under:

1. Total Revenue for the year decreased from previous year of 311.51 Lac to current year of 4.15 Lac.
2. Net Loss for the year decreased from previous year of 1384.52 Lac to current year of 552.19 Lac.

FIRST-TIME ADOPTION OF IND AS

The financial statements for the year ended 31st March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "previous GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2018, together with the comparative period data as at and for the year ended 31st March, 2017.

TRANSFER TO RESERVES

During the year there is no amount transferred to the reserves.

DIVIDEND

Your Company is in loss during the year under review and due to the accumulated losses, our directors regret for their inability to declare dividend to the members.

CHANGE IN CAPITAL STRUCTURE OF THE COMPANY

The Company has passed the following resolutions in its Extra Ordinary General Meeting held on 24th March 2018 for Change in Capital Structure of the Company:

- a) For Sub Division of Face Value of Shares of Company from Rs. 10/- each to Rs. 1/- each. In this regard, Company has completed entire process of Sub Division. New ISIN number has been allotted to Company. This New ISIN number is activated by the Stock Exchange on its Portal from 22nd June 2018.
- b) For issuance of 4,10,00,000 equity shares of face value of Rs. 10/- each on a preferential basis to promoter and qualified investors (other than promoter). And **For approval of Vikas Gran Employees Stock Option Plan 2018 (ESOP 2018)**.

The power for issuance of these shares granted by the members of the company on 24th March 2018 at their EGM to the board, However, in this EGM Face Value of the Shares also reduced from Rs. 10/- each to Re. 1/- each share (One share divided into 10 share). Therefore, Board realised that there is technical problem for issuance of these shares and the lease deed was also not executed between

Company & the proposed allottees, So the resolution passed by the members are infructuous.

DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary, joint venture or associate Company.

CHANGE IN NATURE OF BUSINESS

The guar gum industry is facing a significant down fall from last 3-4 years. As prices of guar gum had increased three years back, it had encouraged farmers to take guar seed crop. Export demand was good till 2013-14 but later on it has gradually declined and as result carry over stock of guar seed has created stock burden.

While industry is not hopeful for recovery soon, the management has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. The company has planned to manufacture proppants and mining of granite and fractured debris in Rajasthan. In this regard, Company has obtained approval from its member through a special resolution in its Extra Ordinary General Meeting held on 24th March 2018.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

As your company has diversified its business into the mining of granite block, the revenue of the Company has increased significantly in the first quarter of financial year 2018-19. The removal of over burden has been started in Rajasthan since 15th June 2018 and the same was sold for building the roads.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place a Risk Management Policy which was reviewed by the Audit Committee and approved by the Board of Directors of the Company. The Policy provides for a robust risk management framework to identify and assess risks such as operational, strategic, financial, security, property, regulatory, reputational and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

Given below are significant potential risks of the Company and measures in place to mitigate them:

The risks are involved in our industry can be classified as mining business is dependent upon government policies and relaxation extended by it.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has formed a Corporate Social Responsibility Committee under section 135 of Companies Act, 2013. The CSR Committee comprises of Mrs. Bimla Devi Jindal (Chairman), Mr. Bajrang Dass Aggarwal and Mr. Ravi Sharma Members. Meetings of CSR Committee during the year under review were held as follow:

Sr. No.	Date of Meeting
1.	31/05/2017
2.	14/08/2017
3.	15/11/2017
4.	12/02/2018

The Company's vision is to be a global benchmark in value creation and corporate citizenship. The objective of our Corporate Social Responsibility (CSR) initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders.

We continue to remain focused on improving the quality of life and engaging communities through health, education, sports and infrastructure development. The Company believes in following this provision not in law but in spirit too.

The report on CSR activities, in terms of Section 135 of the Companies Act, 2013, is annexed to this report as Annexure VI.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review, the Company has not made any loan, given any guarantee or provided security in connection with the loan to any other body corporate or person under Section 186 of the Companies Act, 2013.

ANNUAL RETURN

The extracts of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure IV and is attached to this Report.

DEPOSITS

The Company has not accepted any deposits under chapter V of Company Act, 2013 during the year 2017-18.

COST RECORDS AND AUDIT

The Company is not required to maintain Cost record for any of its product under Section 148 of the Companies Act, 2013. The provisions relating to Companies (Cost Records and Audit) Rules, 2014 does not apply to the Company.

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

In terms of requirement of clause (m) of sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies Account(s) Rules, 2014, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure III to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review, the Board has adopted a policy to regulate the transactions of the Company with its related parties. As per policy, all related party transactions require prior approval of the Audit Committee and Board of Directors of the Company. Prior approval of the shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013. The said policy is available on the Company's website viz. www.vikasgranaries.in.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 for the Financial Year 2017- 18 in the prescribed format, Form AOC 2 has been furnished in Annexure VII and is attached to this report.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES, INDEPENDENCE

The Company's Policy relating to appointment, resignation

or removal of Key Managerial Person, payment of managerial remuneration of Directors, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure-II and is attached to this report.

COMPOSITION OF BOARD AND NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company maintains the optimum combination of Executive and Independent Directors having rich experience in related sectors. The Board of Directors always endeavor to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term stakeholder value, while, at the same time, respecting the right of all Stakeholders.

As at 31st March 2018, there were six directors in the composition of Board of Director of the Company. The Board of Directors comprises three executive directors including an executive chairman and three non-executive independent directors.

There is no nominee director, appointed by any Financial Institution/Bank on the Board of Directors of the Company. Independent Director did not have any material pecuniary relationship or transactions with the Company during the year 2017-18, which may affect their judgments in any manner.

During the Year under review thirteen meeting of Board of Directors were held as on following Dates:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	11/04/2017	9.	04/09/2017
2.	14/04/2017	10.	15/11/2017
3.	28/04/2017	11.	12/02/2017
4.	05/05/2017	12.	21/02/2017
5.	31/05/2017	13.	31/03/2017
6.	11/07/2017		
7.	14/08/2017		
8.	17/08/2017		

PERFORMANCE EVALUATION REPORT

In terms of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there is requirement of formal evaluation by the Board of its Own Performance and that of its committee and individual directors.

The evaluation of individual directors and the Board as a whole was conducted based on criteria and framework adopted by the Board. The Evaluation criteria has been explained in the Nomination and Remuneration Policy adopted by the Board and forms part of this Annual Report.

MANNER & CRITERIA OF FORMAL ANNUAL EVALUATION OF BOARD'S PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In compliance with requirements of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the formal annual performance evaluation of the Board, its Committees and Individual Directors has been conducted as under:

A. Manner of evaluation as recommended to the Board by the Nomination, Remuneration and Compensation Committee (NRCC)

1. The Chairman of the Board consulted each Director separately about the performance of Board, Committees and other Directors and sought inputs in relation to the above. The Chairman then collated all the inputs and shared the same with the Board.

2. In respect of the evaluation of Chairman of the Board, the Chairman of the NRCC collated the inputs from Directors about Chairman's performance as a Director of the Board and/ or Chairman or the Member of the Board Committees and shared the same with the Board.

The Board as a whole discussed the inputs on performance of Board/Committees/Individual Directors and performed the evaluation, excluding the Director being evaluated.

B. Criteria of evaluation as approved by the NRCC. The aforesaid evaluation was conducted as per the criteria laid down by the NRCC as follows:

Performance of	Evaluation Criteria
(i) Board as a whole	<ul style="list-style-type: none"> Fulfillment of functions of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring Company's governance practices etc., as per the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Number of Board Meetings held during the year.

(ii) Board Committees	<ul style="list-style-type: none"> Fulfillment of functions of the Committee with reference to its terms of reference, the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Number of Committee Meetings held during the year.
iii) Individual Directors	<ul style="list-style-type: none"> Fulfillment of responsibilities as a Director as per the Act, the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and applicable Company policies and practices. In case of the concerned Director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or Member of the Committees, with reference to such status and role. Board and/or Committee meetings attended. General Meetings attended.

CHANGE IN DIRECTORS

Mrs. Bimla Devi Jindal who was liable to be retires by rotation and presented her self for reappointment, was reappointed as director in the Annual General Meeting held on 30th September 2017.

RELATIONSHIP AMONG THE DIRECTORS

Sr. No	Name of Director	Related Director	Relation
1	Bajrang Dass Aggarwal	Bimla Devi Jindal	Wife
		Kamini Jindal	Daughter
2	Bimla Devi Jindal	Bajrang Dass Aggarwal	Husband
		Kamini Jindal	Daughter
3	Kamini Jindal	Bimla Devi Jindal	Mother
		Bajrang Dass Aggarwal	Father

INDEPENDENT DIRECTORS

The Board of Company consists of three independent Directors namely

- Sh. Neeraj Chhabra
- Sh. Ravi Sharma
- Smt. Deepika Aggarwal

The Company has received declaration from all the Independent Directors of the Company under Section 149(7) of the Act, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Above declaration given by Independent Directors is enclosed as Annexure – I to this report.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on the business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various locations where the Company's operations / activities are carried out are organized for the Independent Directors to enable them to understand the operations of the Company.

The details of familiarization programme for Independent Directors are available on Company's website www.vikasgranaries.in at the following web link:

http://vikasgranaries.in/?page_id=416

AUDITORS

STATUTORY AUDITORS:

M/s Yogesh Mahipal & Associates, who was appointed as Statutory Auditors of the company for a period of 5 year in Annual General meeting held on 30th September 2017.

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further clarifications under Section 134 of the Companies Act, 2013

SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, The Company had appointed M/s. Ravinder Gupta & Associates, Company Secretaries, to conduct its Secretarial Audit for the Financial Year ended 31st March 2018. The Secretarial Auditors have submitted their report for compliance of the provisions of applicable Corporate Laws and other applicable Laws on the Company. The Report on Secretarial Audit is self-explanatory on compliances. **The report of the Secretarial Auditors is enclosed as Annexure-VIII to this report.**

INTERNAL FINANCIAL CONTROL

M/s Sanjay Goyal & Associates has been appointed as an internal auditor of the company to review and strengthen the Internal Financial Control System of the Company. The Board of Director timely review the internal control system and plan company's further strategies accordingly. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

INTERNAL CONTROLS

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- Providing assurance regarding the effectiveness and efficiency of operations;
- Efficient use and safeguarding of resources;
- Compliance with policies, procedures and applicable laws and regulations; and
- Transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Directors of the Company regularly reviews the adequacy of internal control systems through such audits.

The Internal Auditor reports directly to the Audit Committee. The Company also has a budgetary control

system to monitor expenditure against approved budgets on an ongoing basis.

AUDIT COMMITTEE AND VIGIL MECHANISM

AUDIT COMMITTEE

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March 2018, there were three directors in the composition of Audit Committee of the Company. The Audit Committee comprises two non-executive independent directors including a non-executive independent chairman and one executive director. The members of audit committee are as follow:

Mr. Ravi Sharma (Non-Executive Independent Director, Chairman)	Mr. Neeraj Chhabra (Non-Executive Independent Director, Member)	Mrs. Bimla Devi Jindal (Executive Director, Member)
---	--	--

All members of the Committee are financially literate and have accounting or related financial management expertise.

VIGIL MECHANISM

Our Vigil Mechanism provides a formal mechanism for all directors, employees and vendors to approach the Ethics Counsellor/ Chairman of the Audit Committee

The Vigil mechanism under section 177 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been laid down by the company. The same is provided on the website of the company www.vikasgranaries.in.

The mechanism deals with the reporting of any unfair and malaise practice in the company. The policy is also providing safe guard to the persons who are taking initiatives against the practice of unfair mean of business.

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

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as required by the Listing Regulations is incorporated herein by reference and forms an integral part of this report. A report is annexed to this report as Annexure X.

CORPORATE GOVERNANCE:

Corporate Governance reporting is a real opportunity to build confidence of stakeholder's. It is the application of best management practices, compliance of law and adherence to ethical standard to achieve the Company's objective of enhancing shareholder's value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the Organization viz., the Board of Directors, the Senior Management, Employees etc. The Company adopts and adheres to the best recognized Corporate Governance practices and continuously strives to better them.

Company's Philosophy on Code of Governance

Vikas Group defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimize its performance and maximize the long-term shareholder value in legal and ethical manner, ensuring justice, courtesy, and dignity in all transactions of the Company. The Company is committed to good Corporate Governance in all its activities and processes.

The Company consider stakeholders as partners in the success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value.

The Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Good Governance practices stem from the dynamic culture and positive mindset of the organization.

We ensure that we evolve and follow the corporate governance guidelines and best practices sincerely to not just boost long-term shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements),

Regulations, 2015 (Listing Regulations), the Corporate Governance Report and the Auditors' Certificate regarding compliance of conditions of Corporate Governance are annexed to this report Annexure IX.

PARTICULARS OF EMPLOYEES

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Employees of the Company, are given in Annexure - V of this Board's Report.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT

The Company continued to maintain harmonious and cordial relations with its workers in all its Divisions, which enabled it to achieve this performance level on all fronts.

The Company has a team of able and experienced professionals. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees. The Company provides personal development opportunities and all-round exposure to them.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY SECRETARIAL AUDITOR IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by the secretarial auditor in their report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) In the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Bimla Devi Jindal
Managing Director
DIN: 00034997
Address: 123, Vinoba Basti,
Sri Ganganagar - 335001

Date: 04/09/2018

Place: Sri Ganganagar

ANNEXURE-I

Deepika Aggarwal
R/o 93, Vinoba Basti, Ward No. 27, Distt. Shriganganagar-335001

DECLARATION OF INDEPENDENCE

29th May 2018

To,

The Board of Directors
Vikas Proppant & Granite limited
(Formerly known as Vikas Granaries Limited)
Hisar Road, Siwani - 127046

Sub: Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Deepika Aggarwal, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - i. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary

- or associate company amounting to 10% or more of the gross turnover of such firm;
 - iii. holds together with my relatives 2% or more of the total voting power of the company; or
 - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
 - I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Deepika Aggarwal
R/o 93, Vinoba Basti
Ward No. 27,
Distt. Shriganganagar -335001

Ravi Sharma
129, New Anaj Mandi, Sriganaganagar 335001

DECLARATION OF INDEPENDENCE

29th May 2018

To,

The Board of Directors
Vikas Proppant & Granite limited
(Formerly known as Vikas Granaries Limited)
Hisar Road, Siwani - 127046

Sub: Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Ravi Sharma, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving directors sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - i. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - iii. holds together with my relatives 2% or more of the total voting power of the company; or

iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Ravi Sharma
 00035919
 129 New Anaj Mandi
 Sriganaganagar 335001

Neeraj Chhabra
R C P Tal Colony Quarter No. - 34, Suratgarh, Sriganganagar 335804

DECLARATION OF INDEPENDENCE

29th May 2018

To,

The Board of Directors
Vikas Proppant & Granite limited
(Formerly known as Vikas Granaries Limited)
Hisar Road, Siwani - 127046

Sub: Declaration of independence under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and sub-section (6) of section 149 of the Companies Act, 2013.

I, Mr. Neeraj Chhabra, hereby certify that I am a Non-Executive Independent Director of **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)**, Place and comply with all the criteria of independent director as envisaged in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
 - i. holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b) any legal or a consulting firm that has or had any transaction with the company, its holding,

subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;

- iii. holds together with my relatives 2% or more of the total voting power of the company; or
 - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
 - I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,
Yours faithfully,

Neeraj Chhabra
DIN: 06467189
 RCP Tal Colony Q. No.- 34
 Suratgarh, Sri Ganaganagar-335804

ANNEXURE-II

NOMINATION AND REMUNERATION POLICY {VIKAS PROPPANT & GRANITE LIMITED (FORMERLY KNOWN AS VIKAS GRANARIES LIMITED)}

PURPOSE

The Company has formed Nomination and Remuneration Policy u/s 178 (1) of Company Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy has been formulated for determining the qualification, Positive attributes of Executive Directors, Non-Executive Directors, Independent Director and Key Managerial Persons of the company.

DEFINITIONS

“**ACT**” the act shall mean The Companies Act, 2013.

“**COMMITTEE**” the committee shall mean Nomination and Remuneration Committee under Section 178(1) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“**BOARD**” the Board shall mean Board of Directors of Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited).

“**COMPANY**” means the Company Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited).

“**KEY MANAGERIAL PERSONNEL**” means

Chief Executive Officer or the Managing Director or the Manager;

Whole-time director;

Chief Financial Officer;

Company Secretary; and

Such other officer(s) as may be prescribed

“**SENIOR MANAGEMENT**” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

NOMINATION AND REMUNERATION COMMITTEE

The Company has formed a committee under section 178 (1) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee consists of three members namely:

- Mr. Neeraj Chhabra (Non-Executive Independent Director, Chairman)
- Mr. Ravi Sharma (Non-Executive Independent Director, Member)
- Mrs. Kamini Jindal (Executive Director Member)

ROLE OF THE COMMITTEE

The Committee has been formulated to perform the following works: -

1. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in Companies Act, 2013 and rules made thereunder and all other provisions applicable, if any, recommend to the Board their appointment and removal. It shall carry out evaluation of every director's performance.
2. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
3. To carry out evaluation of every Director's performance.

4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

5. To perform such other functions as may be necessary or appropriate for the performance of its duties.

CRITERIA FOR APPOINTMENT OF DIRECTOR

Any person who wishes to appoint as a Director of the Company needs to fulfill the following criteria: -

1. His appointment must not be in Contravention of any provision of Companies Act, 2013 and rules made thereunder and all the applicable laws, if any.
2. The appointment shall be subject to applicability of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The person who wishes to be appointed as a director must have relevant experience in the industry similar to the business of the Company or hold relevant qualification in this regard. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
4. The Director will be eligible for appointment only if he has attained the age of twenty-one years.

INDEPENDENT DIRECTOR

The Independent Director must fulfill the following criteria: -

1. His appointment must not be in Contravention of section 149 of Companies Act, 2013 and rules made thereunder and all the applicable laws, if any.
2. The appointment shall be subject to applicability of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. He shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the Company's business.

TERM/TENURE

1. Managing Director/Whole-time Director:

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

2. Independent Director: -

(a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

(b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

(c) At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations

thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

RETIREMENT

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

Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

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

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

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

Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

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

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

IMPLEMENTATION

(a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

(b) The Committee May Delegate any of its powers to one or more of its members.

ANNEXURE-III

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

Company's own in house development and analytical lab continuously works on upgradation and modification of the present products to meet the requirements of the international market. Apart from this, no new technology was absorbed or adopted by the company during the year.

A. Conservation of Energy: -

As a part of ongoing energy saving programme the company has engaged an efficient team to examine the possibility of energy conservation at all operation levels, especially on higher load machines. Sincere efforts are being made to improve the power factor and reduce the overall energy consumption.

The company has taken the following steps towards energy conservation:

- * Frequent checking of the capacitors.
- * Replacement of high power factor electric motors.
- * Timely greasing of the bearings of all the heavy machines.
- * Installation of servo stabilizer to boost the voltage.
- * The details of total energy consumption are as under:

B. Technology Absorption

a) Efforts made towards technology absorption

The Company's Research and Development (R&D) center continues to expand and concentrate on the development of new products and processes to significantly moderate its environmental footprint. The Company is devoted to sustainable development and explores new ways of environment preservation and the responsible use of non-renewable resources.

The Company continues to develop new technologies and processes directed at enhancing productivity.

b) Benefits derived like product improvement, cost reduction, product development

- Improved product quality and customer satisfaction.
- Increased skill development of R&D personnel to face future challenges

C. Foreign exchange earning & outgoing:

Activities relating to exports, initiative taken to increase exports, development of new markets of its manufactured goods and export plans:

The Company is the country's leading manufacturer exporter of guar water-soluble polymers. The company has always given utmost priority to earn valuable foreign exchange in the larger interest of the nation.

Total foreign exchange earnings during the year	NIL
Total foreign exchange used during the year	NIL
Net foreign exchange earned during the year	NIL

Annexure- IV

**Form MGT-9
"Extract of Annual Return
as on the financial year ended on 31st March 2018"
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:	
i) CIN	L14100HR1994PLC036433
ii) Registration Date	31.10.1994
iii) Name of the Company	"Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)"
iv) Category / Sub-Category of the Company	Limited by shares
v) Address of the Registered office and contact details	Hisar Road, siwani, haryana-127046
vi) Whether listed company Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	"Link Intime India Private Limited Address: - 44, Naraina Community Centre, Phase-I, PVR Cinema, Naraina, New Delhi TEL. NO. 01141410592"

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:-

Sr. No	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the company
1	Gaur & Polymer	13023230 13023220	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ ASSOCIATE SUBSIDIARY/ ASSOCIATE	Applicable Section
1	NA	NA	NA	NANA

IV) SHARE HOLDING, PATTERN (EQUITY , SUBSIDIARY AND ASSOCIATE COMPANIES
I) Category- wise Share Holding

S. No	Category of Share Holder	Shareholding at the beginning of the year-2017				Shareholding at the end of the year 2018				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	1151228	0	1151228	'6.3542	1151228	0	1151228	'6.3542	'0.0000
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	1151228	0	1151228	'6.3542	1151228	0	1151228	'6.3542	'0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	1151228	0	1151228	'6.3542	1151228	0	1151228	'6.3542	'0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(f)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Central Government/ State Government (s)/ President of India									
	Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[3]	Non-Institutions									
(a)	Individuals									

S. No	Category of Share Holder	Shareholding at the beginning of the year-2017				Shareholding at the end of the year 2018				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	2318187	606415	2924602	'16.1424	2138768	604815	2743583	'15.1433	'-0.9991
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	13014812	19300	13034112	'71.9421	12759219	19300	12778519	'70.5314	'-1.4107
(b)	NBFCs registered with RBI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Employee Trusts	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Foreign Nationals	0	103000	103000	'0.5685	0	103000	103000	'0.5685	'0.0000
	Hindu Undivided Family	375435	0	375435	'2.0722	532633	0	532633	'2.9399	'0.8677
	Non Resident Indians (Non Repat)	26835	0	26835	'0.1481	26885	0	26885	'0.1484	'0.0003
	Non Resident Indians (Repat)	112164	0	112164	'0.6191	159256	0	159256	'0.8790	'0.2599
	Clearing Member	17249	0	17249	'0.0952	36062	0	36062	'0.1990	'0.1038
	Bodies Corporate	358475	14400	372875	'2.0581	571934	14400	586334	'3.2363	'1.1782
	Sub Total (B)(3)	16223157	743115	16966272	'93.6458	16224757	741515	16966272	'93.6458	'0.0000
	Total Public Shareholding(B)=(B)(1)+ (B)(2)+(B)(3)	16223157	743115	16966272	'93.6458	16224757	741515	16966272	'93.6458	'0.0000
	Total (A)+(B)	17374385	743115	18117500	'100.0000	17375985	741515	18117500	'100.0000	'0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	17374385	743115	18117500	'100.0000	17375985	741515	18117500	'100.0000	'0.0000

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year-2017			Shareholding at the end of the year 2018			% of shareholding during the year
		No. of Share held	% of Total Shares of Company	% of Share Pledge encumbered to total share	No. of Shares held	% of Total share of the Company	% of share pledged encumbered to total shares	
1	BAJRANG DASS AGGARWAL	1151228	'6.3542	'0.0000	1151228	'6.3542	'0.0000	'0.0000
	Total	1151228	'6.3542	'0.0000	1151228	'6.3542	'0.0000	'0.0000

(iii) Change in Promoters Shareholding (Please Specify, if there is no change)

S. No	Name & Type of Transaction	Shareholding at the beginning of the year-2016-17		Transaction during the year		Cumulative Shareholding at the End of the Financial year- 2016-17	
		No of shares held	% of total Shares of of the Company	Date of Transection	No. of Shares	No of shares held	% of total Shares of the Company
1	BAJRANG DASS AGGARWAL	1151228	'6.3542			1151228	'6.3542
	AT THE END OF THE YEAR					1151228	'6.3542

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 18117500 Shares.
 2. The details of holding has been clubbed based on PAN.
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

S. NO	SHAREHOLDER NAME	DPID/Folio	PAN	SHARES	BENPOS_DATE
1	BAJRANG DASS AGGARWAL	IN30133019413414	ACHPJ9024A	1151228	31/03/2017
2	BAJRANG DASS AGGARWAL	IN30133019413414	ACHPJ9024A	1151228	31/03/2018

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

S. No	Name & Type of Transaction	Shareholding at the beginning of the year-2016-17		Transaction during the year		Cumulative Shareholding at the End of the Financial year year- 2016-17	
		No of shares held	% of total Shares of of the Company	Date of Transection	No. of Shares	No of shares held	% of total Shares of the Company
1	GIRISH KANSAL	2200000	12.1430			2200000	12.1430
	Transfer			21 Jul,2017	(2200000)	0	0.0000
	Transfer			01 Sep, 2017	2200000	2200000	12.1430
	AT THE END OF THE YEAR					2200000	12.1430
2	PUNEET .	0	0.0000			0	0.0000
	Transfer			09 Feb, 2018	2500000	2500000	13.7988
	Transfer			23 Mar, 2018	(300000)	2200000	12.1430
	AT THE END OF THE YEAR					2200000	12.1430
3	SARABATI DEVI	2100000	11.5910			2100000	11.5910
	Transfer			21 Jul, 2017	(2100000)	0	0.0000
	Transfer			01Sep, 2017	2100000	2100000	11.5910
	AT THE END OF THE YEAR					2100000	11.5910
4	NIR SINGH SINDHU	1900000	10.4871			1900000	10.4871
	Transfer			21 Jul, 2017	(1900000)	0	0.0000
	Transfer			01 Sep, 2017	1900000	1900000	10.4871
	AT THE END OF THE YEAR					1900000	10.487
5	AMIT BABBAR	1065598	5.8816			1065598	5.8816
	AT THE END OF THE YEAR					1065598	5.8816
6	ANUP KUMAR	291011	1.6062			291011	1.606
	Transfer			21 Apr,2017	39613	330624	1.8249
	Transfer			05 May, 2017	(20000)	310624	1.7145
	Transfer			06 Oct. 2017	20499	331123	1.8276
	Transfer			13 Oct., 2017	31600	362723	2.0021
	AT THE END OF THE YEAR					362723	2.0021
7	SANJAY PAREEK	0	0.0000			0	0.0000
	Transfer			23 Mar, 2018	200000	200000	1.1039
	AT THE END OF THE YEAR					200000	1.1039
8	R. S. SHARES & SECURITIES LTD	175702	0.9698			175702	0.9698
	Transfer			21 Jul, 2017	(175702)	0	0.0000
	Transfer			08 Sep,2017	175702	175702	0.9698

	AT THE END OF THE YEAR				175702	0.969	
9	SARIKA GARG	191643	1.0578		191643	1.0578	
	Transfer			12 May, 2017	(11320)	180323	0.9953
	Transfer			19 May, 2017	(13744)	166579	0.9194
	AT THE END OF THE YEAR				166579	0.9194]	
10	SONIA JINDAL	123738	0.6830		123738	0.6830	
	AT THE END OF THE YEAR				123738	0.6830	

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 18117500 Shares.
 2. The details of holding has been clubbed based on PAN.
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and key Managerial Personnel:

1) BAJRANG DASS AGGARWAL

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the the year	
		No of shares	% of total share of the Company	No of shares	% of total share of the Company
1	At the beginning of the year	1151228	6.35	1151228	6.35
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year			1151228	6.35

V. INDEBTEDNESS

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

(Amount in Lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	10651.45	-	10651.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	10651.45	-	10651.45
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	21.95	-	21.95
Net Change	-	21.95	-	21.95
Indebtedness at the end of the financial year				
i) Principal Amount	-	10629.50	-	10629.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	10629.50	-	10629.50

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Particulars of Remuneration			Total Amount
		Bimla Devi Jindal	Bajrang Dass Aggarwal	Kamini Jindal	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-

B. Remuneration to other directors

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		RAVI SHARMA	DEEPIKA AGGARWAL	Neeraj Chhabra	
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0	0	0	0.00
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	0	0	0	0.00
	Total Managerial Remuneration	0	0	0	0.00

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

S.No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	C.F.O.	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not applicable	456000	0456000	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	Not applicable	456000	NIL	456000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE- V

Remuneration under section 197(12) of Company Act, 2013

Sr. No.	Particulars	Detail
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	No remuneration is paid to any director.
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	No increment has taken place during the year 2017-18.
3	The percentage increase in the median remuneration of employees in the financial year.	No increment has taken place during the year 2017-18.
4	The number of permanent employees on the pay roll of company.	86
5	The explanation on the relationship between average increase in remuneration and company performance.	The Company has not increased any remuneration during the year 2017-18.
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	The company has not increased the any remuneration of KMP's during the year 2017-18, but Companies Net Loss for the year increased from previous year of 1384.52 Lac to current year of 105.44 Lac
7	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There is no increase either in managerial remuneration or in salaries of the employees.
8	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.	Company has not paid any managerial remuneration to directors of the Company except salary to Company Secretary.
9	The key parameters for any variable component of remuneration availed by the directors.	Not Applicable
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable
11	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per the remuneration policy of the company.

ANNEXURE-VI

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY.

The Company has been actively participating in Social activities. The Company believes in giving to the society in which it operates. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholder's lives.

OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN

CSR activities of the Company will have the following thrust areas:

- To promote the education of the children, the Company is actively participating and holding programmes for motivating the students about their education. The Company is currently distributing the scholarship for their basic as well as higher education and these will also be continued in the upcoming years. To promote medical education, the company is also undertaking a project of establishing Medical College.
- To reduce the poverty and to encourage the cultivation basic resources like seeds are provided to the farmers for giving them economical support.
- To promote healthcare by increasing medical facilities by the mean of establishing Medical College.
- To promote gender equality, empowering women, and facilitate the old age.
To take initiatives for the protection of environment and to maintain the ecological balance.
- To protect the national heritage and take steps for its development.
- To practice all the works that will help in eradicating hunger, poverty, and malnutrition.

REFERENCE TO THE WEB-LINK TO THE CSR POLICY

The Company's policy on CSR is available on company website www.vikasgranaries.in . The web link is as follows:- http://vikasgranaries.in/?page_id=386

2. THE COMPOSITION OF THE CSR COMMITTEE

The Company has formulated a CSR Committee under section 135 (1) and Rules made thereunder a committee on 29.05.2015. Its composition is as follows:-

- | | | |
|----|-------------------|----------|
| 1. | B.D. Aggarwal | Chairman |
| 2. | Ravi Sharma | Member |
| 3. | Bimla Devi Jindal | Member |

3. Average net profit of the company for last three financial years: The Company was in heavy loss in last year so companies average of Last three-year profit and loss is in negative figure.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Not Applicable because average of last three years Profit and Loss is in negative figure.

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year; Not Applicable

(b) Amount unspent Not Applicable

(c) Manner in which the amount spent during the Financial Year is detailed below Not Applicable

(d) Reason for not spending the amount Not Applicable

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

a) SL. NO.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
b) 1	NA	NA	NA	NA	NA	NA	NA	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

a) SL. NO.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Annexure-VIII

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

For the Financial Year ended on 31 March, 2017

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

To,
The Members,
Vikas Proppant & Granite Limited
(Formerly known as **Vikas Granaries Limited**)
Hisar Road, Siwani,
Haryana-127046

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)** for the financial year ended on 31st March, 2018 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **Not Applicable of the Company.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Appli-**

cable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review; and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review;**

3. We have also examined Compliance with the other applicable Acts.

- (a) Payment of Wages Act, 1936, and rules made there under,
- (b) The Minimum Wages Act, 1948, and rules made there under,
- (c) Employees' State Insurance Act, 1948, and rules made there under,
- (d) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- (e) The Payment of Bonus Act, 1965, and rules made there under,
- (f) Payment of Gratuity Act, 1972, and rules made thereunder,
- (g) Factory Act, 1948
- (h) Air Pollution Act 1981
- (i) Water Pollution Act 1974 and any other Acts, which is applicable for the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange

We have not examined compliance by the Company with applicable Financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory Financial audit and other designated professionals.

During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013, to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- (a) **CFO Appointment is compulsory according to Section 203 of the Companies Act, 2013, and Company is in the process to appoint a suitable & qualified candidate to handle the work of chief financial officer.**
- (b) **There is delay in filing returns of TDS & GST for the financial year 2017-18.**

We have relied on the information and representation made by the Company and its Officers for Systems and mechanism formed by the Company for Compliances under applicable Acts, Laws, and regulations to the Company.

5. We have relied on the information and representation made by the Company and its Officers for Systems and mechanism formed by the Company for Compliances under applicable Acts, Laws, and regulations to the Company.
6. We have also relied on information and statutory auditor Report for the year 2017-2018 and Annexure thereon issued by the statutory auditor of the Company for the respective Area.
7. **We further report that**
 - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - (d) We further report that the Company Comply the all Compliance of Companies Act, 2013, but there were few instances of delay in filing of forms with the Ministry of Corporate Affairs which were regularized by payment of late filing fee.
8. **We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
9. We further report that during the audit period following major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.
- a) The Company has also changed its business line during the year under review. In this regard Company has passed a special resolution for change in object clause of memorandum of association of the Company in its Extra Ordinary General Meeting held on 24th March 2018. Further In the same meeting Company has also changed its existing name "**Vikas Granaries Limited**" to "**Vikas proppant & Granite Limited**". **The Company has obtained a fresh Certificate of Incorporation from Registrar of Companies with the new name on 17th April 2018.** The approval of Bombay Stock Exchange has also been obtained for change of name and accordingly name of the Company has also been changed on BSE portal w.e.f 30th April 2018.

For Ravinder Gupta & Associates

**Ravinder Kumar Gupta
(Company Secretary)
C.P.-16890
FCS:-6590**

Date: 04/09/2018

Place: - Sri Ganga Nagar

Note: This report is to be read with our letter of even date by the Secretarial Auditor, which is annexed as '**ANNEXURE A**' and forms an integral part of this report, which is available on the website of the Company.

'ANNEXURE A'

**To,
The Members,
Vikas Proppant & Granite Limited
(Formerly known as Vikas Granaries Limited)
Hisar Road, Siwani,
Haryana-127046**

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

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

**Ravinder Kumar Gupta
(Company Secretary)
C.P.-16890
FCS:-6590**

Date: 04/09/2018

Place: - Sri Ganga Nagar

CORPORATE GOVERNANCE

The Directors of the Company are pleased to present the report on corporate governance for the year ended March 31, 2018.

Company's philosophy on code of Corporate Governance

The Company has established a reputation for honesty, integrity and sound governance.

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensure accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance of Code of Conduct adopted by the Company.

The Company has also implemented several best corporate governance practices as prevalent globally, such as the Whistle Blower Policy and Code of Conduct & Ethics. The Company has complied with all the requirements relating to Corporate Governance as stipulated under Regulation 27(2) of the (LODR) Listing Regulation 2015. The report of the Directors on corporate governance is given as a separate Certificate is annexed to the Report on Corporate Governance.

Ethics/Governance Policies

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have Adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Health, Safety and Environment (HSE) Policy
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy (CSR)
- Policy for Selection of Directors and determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel
- Policy for determining Material Subsidiaries

BOARD OF DIRECTORS: -

The Company has a high-profile Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience.

The Board being aware of its fiduciary responsibilities recognizes its responsibilities towards all stakeholders to uphold highest standards in all matters concerning the Company. It has empowered responsible persons to implement its broad policies, guidelines and has set up adequate review processes. The Board provides strategic guidance on the affairs of the Company. The Independent Directors provide independent and objective judgement on matters placed before them.

The Directors are elected based on their qualification and experience in varied fields. The Independent Directors annually provide a certificate of independence in accordance with the applicable laws which is taken on record by the Board. All Board members are encouraged to meet and interact with the management. Board members are invited at key meetings of senior management for strategic guidance and advice.

a. Composition

As on the year ended 31st March 2018, the company consists of 6 directors including 3 independent directors.

The Company Board has an optimum combination of Executive, Non-Executive and Independent Directors with one-

woman Directors, as per requirements of Regulation 17 of SEBI (Listing Obligation and disclosure Requirements) Regulation 2015 (SEBI Listing Regulation). The Composition of Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Regulations and the Companies Act, 2013.

The brief profile of directors of the company has given below.

Brief Profile of Directors

The Board of Directors comprises of highly renowned professionals drawn from diverse fields. They bring with them wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

Brief profile of the Company's Board of directors is as under:

➤ Mrs. Bimla Devi Jindal (Executive Director)

Mrs. Bimla Devi Jindal, wife of Mr. B.D. Aggarwal belonging to the promoter group is the current Chairman and Managing Director in the company. She has been appointed by the Board in 2007. She holds a bachelor's Degree in Commerce from the University of Haryana. She belongs to a leading Guar Gum Industrialist family. Her long-term experience and association with Guar Gum industry is helping and enlightening the glory paths of the company.

➤ Mr. B.D. Aggarwal (Executive Director)

Mr. B.D. Aggarwal is a well-known and trusted name for Guar Gum Industry. He is one of the most respected business personalities in India. Not only for guar crop harvesting farmers he is a helping hand but also to others, may it be on farming end or educational end. He has introduced new standards in management, efficiency and corporate social responsibility to an industry he has helped transform.

Under his leadership, the company has achieved significant improvements in the areas of guar gum manufacturing maybe it at organic end or quality end.

➤ Mrs. Kamini Jindal (Executive Director)

Mrs. Kamini Jindal, belonging to promoter group is an Executive Director in the company. She has been appointed by the Board in 2012. Ms. Kamini Jindal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art and Master of Philosophy. She is the youth diva in the board of the company. She is the daughter of Mr. B.D. Aggarwal and Mrs. Bimla Devi Jindal, from her childhood she has taken keen interest in the working of the company. Her long-term association with Guar Gum Industry has brought immense value to the board.

➤ Mr. Neeraj Chhabra (Independent Director)

Mr. Neeraj Chhabra, Independent Director of the company has been appointed by the Board in 2013. Mr. Neeraj Chhabra is a person with excellent academic background and possesses good educational qualifications. He is postgraduate in Pharmacy. Having vast knowledge about chemical aspects, his expertise is leading company on high quality manufacturing guar gum powder.

➤ Mrs. Deepika Aggarwal (Independent Director)

Mrs. Deepika Aggarwal, Independent Director of the company has been appointed by the Board in 2013. Mrs. Deepika Aggarwal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art. The Board has gained highest level of managerial efficiencies as the management capabilities of efficient personnel are utilized by the board.

➤ Mr. Ravi Sharma (Independent Director)

Mr. Ravi Sharma, Independent Director of the company has been appointed by the board in 2006. Mr. Sharma is a person with excellent academic background and possesses good educational qualifications. He is master's in commerce and master's in business administration. He is having vast knowledge of accountancy and taxation. His expertise is leading company to gain new heights.

b. Attendance of each director up to 31st March 2018 at the Board meetings and at last Annual General Meeting: -

Sr. No.	Name of the Director	No. of board meetings attended	Attendance at the AGM held on September 30, 2017
1.	Bimla Devi Jindal	13	Yes
2.	B.D. Aggarwal	13	No
3.	Kamini Jindal	13	No
4.	Ravi Sharma	13	Yes
5.	Deepika Aggarwal	13	No
6.	Neeraj Chhabra	13	Yes

c. The company has held Thirteen Board Meetings during the year as on the following dates:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	11/04/2017	9.	04/09/2017
2.	14/04/2017	10.	15/11/2017
3.	28/04/2017	11.	12/02/2018
4.	05/05/2017	12.	21/02/2018
5.	31/05/2017	13.	31/03/2018
6.	11/07/2017		
7.	14/08/2017		
8.	17/08/2017		

d. No payments were made during the year to Non-Executive Directors towards sitting fees.

e. The necessary quorum was present for all the meetings.

COMMITTEES OF THE BOARD

To deal with urgent or special issues/matters and to manage the work of the board, the board has constituted various committees. The committees have adequate delegation of powers to discharge respective functions as well as to meet the requirements of the business of the company. The execution of the responsibilities by the committees is supervised by the board who is also responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. At present, the board has following committees:

➤ Stakeholders Relationship Committee: -

Stakeholders Relationship Committee is entrusted with the responsibility of redressal of all the shareholder's/ investors complaints related to transfer of shares, non-receipt of annual reports etc. The Committee also oversees the performance of the Registrar & Transfer Agents of the company and suggests measures for betterment in the quality of investor services. The Stakeholders Relationship Committee of the company comprises of Smt. Deepika Aggarwal, Sh. Neeraj Chhabra, Sh. Ravi Sharma and Smt. Kamini Jindal.

(a) Name of the Non-Executive Director heading the Committee: Smt. Deepika Aggarwal.

(b) Name and Designation of Compliance officer: Mr. Praveen Bishnoi (Company Secretary)

The company's shares are traded in dematerialised form at all Stock Exchanges where it is listed. To expedite the transfer in physical mode, share transfer committee has been delegated with necessary powers.

S r . No.	Name of Director	Designation	Attended			
			31.05.2017	14.08.2017	15.11.2017	21.02.2018
1.	Deepika Aggarwal	Chairman	Yes	Yes	Yes	Yes
2.	Neeraj Chhabra	Member	Yes	Yes	Yes	Yes
3.	Ravi Sharma	Member	Yes	Yes	Yes	Yes
4.	Kamini Jindal	Member	Yes	Yes	Yes	Yes

➤ Corporate Social Responsibility Committee: -

• Formation of Committee

Pursuant to Section 135 of the Companies Act, 2013 the Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board of Directors. The terms of reference of the CSR Committee are as per the provisions of the Companies Act, 2013. Details of meetings held during the year was as follows:

S r . No.	Name of Director	Designation	Attended			
			31.05.2017	14.08.2017	15.11.2017	21.02.2018
1.	Bimla Devi Jindal	Chairman	Yes	Yes	Yes	Yes
2.	Bajrang Dass Aggarwal	Member	Yes	Yes	Yes	Yes
3.	Ravi Sharma	Member	Yes	Yes	Yes	Yes

➤ Audit Committee: -

The Audit Committee is entrusted with the responsibility to oversee the quality and integrity of auditing and accounting policies, legal and statutory compliances and the overall financial health of the company. The Audit committee comprises of three directors viz. Mr. Ravi Sharma, Mr. Neeraj Chhabra and Mrs. Bimla Devi Jindal. The committee is headed by Mr. Ravi Sharma, Independent Director of the company.

The constitution of Audit committee also meets with the requirements under Section 177 of The Companies Act, 2013.

The terms of reference stipulated by the Board to the Audit committee are, as contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as follows:

Financial Reporting and Related Processes

Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.

- Reviewing with Management, the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

During the year, the Committee has met four times as follow:

S. No.	Name of Director	Designation	Attended			
			31.05.2017	14.08.2017	15.11.2017	21.02.2018
1.	Mr. Ravi Sharma	Chairman	Yes	Yes	Yes	Yes
2.	Mrs. Bimla Devi Jindal	Member	Yes	Yes	Yes	Yes
3.	Mr. Neeraj Chhabra	Member	Yes	Yes	Yes	Yes

➤ Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of, Mr. Neeraj Chhabra, Mr. Ravi Sharma and Mrs. Kamini Jindal.

During the year, the Committee has met four times as follow:

S. No.	Name of Director	Designation	Attended			
			31.05.2017	14.08.2017	15.11.2017	21.02.2018
1.	Mr. Neeraj Chhabra	Chairman	Yes	Yes	Yes	Yes
2.	Mr. Ravi Sharma	Member	Yes	Yes	Yes	Yes
3.	Mrs. Kamini Jindal	Member	Yes	Yes	Yes	Yes

➤ **Risk Management Committee**

The Company has formed a risk management committee. The Committee is required to identify the risks involved in the company and to ensure a proper reporting of the risks to the Board of Directors, so that they can form their business strategies as per that. The Committee consist of three members namely:-

S. No.	Name of Director	Designation	Attended			
			31.05.2017	14.08.2017	15.11.2017	21.02.2018
1.	Mrs. Bimla Devi Jindal	Chairman	Yes	Yes	Yes	Yes
2.	Mr. Bajrang Dass Aggarwal	Member	Yes	Yes	Yes	Yes
3.	Mrs. Kamini Jindal	Member	Yes	Yes	Yes	Yes

The Committee has laid down a policy known as Risk Management policy for identification of risk involved.

➤ **Independent Directors' Meeting**

During the year under review, the Independent Directors met on June 9, 2016, inter alia, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

➤ **Means of Communication**

The company recognizes the prompt, continuous and effective communication of information is the core of good corporate governance practice. Therefore, the company shares information and data through below mentioned multiple channels of communication: -

- (a) Half-Yearly results: As the results of the company are published in the two newspapers (Financial Express English edition and Business Standard Hindi edition.)
- (b) Quarterly results: As the results of the company are published in the two newspapers (Financial Express English edition and Business Standard Hindi edition.)
- (c) Website: www.vikasgranaries.in
- (d) Shareholder's information section forms part of the Annual Report.
- (e) There is no separate annexure in addition to Directors' report on Management's discussion and Analysis except incorporated in the Directors report itself.

➤ No banker or Financial Institutions have direct or indirect role in appointment of the Directors of the Company.

➤ **Disclosures**

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large - **None**
- (b) Details of non-compliance by the Company, strictures imposed on the Company by Stock Exchanges

or SEBI, on any matter related to capital markets, during the last three years: - **None**

A separated section on Corporate Governance forms part of the Annual Report and a Certificate from Statutory Auditors confirming the compliance of the conditions, forms the part of this report.

➤ **General Share Holders' Information**

1. **Annual General Meeting (Date, Time and Venue)** : 29th September, 2018 at 11.00 A.M. Railway Road, Siwani, Haryana-127046
2. Book closure date : 22nd Sept., 2018 to 28th Sept., 2018
3. Dividend payment date : N.A
4. Registered Office : Hisar Road, Siwani (Hararyana)
5. a. Equity shares Listed on stock Exchanges at : The Stock Exchange, Mumbai, (Code No. 531518)
- b. Demat ISIN Numbers in NSDL & CDSL : INE767B01022
6. Stock Market Data on BSE (in Rs. / per Share):

Month	Apr 2017	May 2017	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018
High	11.54	11.00	8.35	6.19	6.47	6.55	7.90	7.60	6.90	8.00	12.36	12.37
Low	6.12	6.89	5.40	4.32	4.63	5.20	5.49	5.21	4.95	5.67	6.13	9.59

7. Registrar and Transfer Agents : Link Intime India Pvt. Limited. 44-Community Centre, 2nd Floor, Naraina Industrial Area, Phase - I, Near PVR, Naraina New Delhi - 110028

8. Distribution of shareholding Pattern as on 31st March 2018

Share or Debenture holding value Rs.	Nominal	Number of shareholders	% of total shareholders	Total shares for the range	% of issued capital
Up to 500		4181	76.24	778827	4.2988
501-1000		540	9.8468	456429	2.5193
1001-2000		326	5.9446	523975	2.8921
2001-3000		129	2.3523	334868	1.8483
3001-4000		51	0.93	181316	1.0008
4001-5000		55	1.0029	265703	1.4666
5001-10000		82	1.4953	631588	3.4861
10001 & Above		120	2.1882	14944794	82.4882

Total	5484	100	18117500	100
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9. Dematerialisation of Share : Approximately 95.90% of the equity shares have been dematerialized up to 31th March 2018.
10. Outstanding GDRs/ ADRs/ Warrants : The company has not issued any GDRs/ ADRs/ Warrants instruments, conversion date and likely impact on equity of any convertible instrument.
11. Buy Back of shares : The Company has no plan to buy-back its equity shares.
12. Address for Correspondence : Hisar Road, Siwani (Harayana)

By the order of Board

Place: Sri Ganganagar

Date: 04/09/2018

Bimla Devi Jindal
Managing Director
DIN: 00034997
Address: 123, Vinoba Basti,
 Sri Ganganagar - 335001

➤ **Statement of Disclosure by Audit Committee to the Shareholders**

To,

The Shareholders,
Vikas Proppant & Granite Limited
(Formerly known as Vikas Granaries Limited)

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, we the members of the Audit Committee disclose in respect of the Financial Year 2017-2018 that:

- 1) the Audit Committee has reviewed the Audited Financial Statement of the Company and held discussion on the quality of the accounting principles as applied and significant judgments affecting Company's financial statements;
- 2) the Audit Committee has discussed the quality of those principles as applied and judgments referred on (1) above under the circumstances;
- 3) the Chairman of the Audit Committee and its members after initial discussion amongst themselves, invited the Chairman and Executive Directors of the Company along with the Internal Auditor to discuss the various issues related to Audited Financial Statements of the Company. The Members of the Audit Committee discussed with the Management on the various issues pertaining to the Audited Financial Statements;
- 4) the Audit Committee, in reliance on the review and discussion conducted with Management in (1), (2) and (3) above, believed that the Company's financial statements are fairly presented in conformity with the generally accepted accounting principles in all material respects.

For and on Behalf of Audit Committee of
Vikas Proppant & Granite Limited
(Formerly known as Vikas Granaries Limited)

Sd/-

Ravi Sharma
 Chairman, Audit Committee

Date: 04/09/2018
Place: Sri Ganganagar

CERTIFICATION BY CEO/CFO UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors,
Vikas Proppant & Granite Limited
(Formerly known as **Vikas Granaries Limited**)

We have reviewed the financial statements and the cash flow statement of **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)** for the year ended March 31, 2018 and to the best of our knowledge and belief:

- (a) (i) These statements do not contain any materially untrue statement or omit any material factor or contain statements that might be misleading;
(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Vikas Proppant & Granite Limited
(Formerly known as **Vikas Granaries Limited**)

Sd/-

Bimla Devi Jindal
(Managing Director)

Date: 04/09/2018

Place: Sri Ganganagar,

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors,
Vikas Proppant & Granite Limited
(Formerly known as **Vikas Granaries Limited**)

1. We have examined all relevant records of **M/s Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)** (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2018. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
3. On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Ravinder Gupta & Associates

Place: Sri Ganganagar
Date: 04/09/2018

(Ravinder Kumar Gupta)
Practising Company Secretary
FCS No.: 6590
C P No.: 16890

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDUSTRY STRUCTURE AND DEVELOPMENT**

Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited), a Company with Public interest, was incorporated in 1995. The Company has diversified its business into niche global expending market of oil fracturing proppants by making use of cuttings (waste materials) of granite stones. The Company is committed to provide its customers overall services and values at its best. It has contributed significantly to our national output, employment and exports.

COMPANY OUTLOOK OPPORTUNITIES AND THREAT**OPPORTUNITIES**Competitive Advantages

India is one of the largest producers and exporters of granite in the world. The country has one of the largest reserves of granite in the world with deposits available in abundance in Rajasthan, Haryana, Tamil Nadu, Andhra Pradesh, Karnataka and Odisha.

Geographical, Economical and Industrial Advantages

In India, [Rajasthan](#), is the main producing regions, specially Jodhpur (Rajasthan) is the major place where lot of granite blocks are available. The Company is situated in the area where it has geographical, economical and industrial advantages.

THREATSPrice stabilization

Price stabilization is one of the major challenges for the industry. Price fluctuation has created uncertainty. Such uncertainty may compel users to look for alternatives.

PERFORMANCE EVALUATION

During the year under review your company has changed its business activity into mining of of sector and the revenue of the Company has increased significantly in the first quarter of Financial Year 2018-19.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is having adequate internal control systems and procedures which commensurate with the size of the Company. All the departments of the Company are following the established rules and regulations for internal control systems. Company established an Internal Control Audit Department which ensures that the internal control systems are properly followed by all the concerned departments of the Company.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Beyond Balance Sheet, Company's singly biggest asset is its Human Resource. The Company is of firm belief that the human resources are the driving force towards progress and success. The Company continued its policy of attracting and recruiting best available talents so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate its professionals so that they can infuse their best efforts. The industrial relation continues to be cordial during the year.

Though the statement and views expressed in the above said report are on the basis of certain assumptions and expectations of future events, but actual results may differ from whatever is stated in the report.

INDEPENDENT AUDITORS' REPORT

To the Members of Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Vikas Proppant & Granite Limited** (Formerly known as Vikas Granaries Limited) ("the Company") which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including Other Comprehensive Income), the statement of cash flows and the statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation, and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted audit of standalone financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 its loss, its cash flows and changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies

(Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 expressed unmodified opinion respectively on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind-AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor’s report) Order, 2016 (‘the Order’) issued by the Central Government of India in terms of sub-section 143(11) of the Act, we give in the Annexure “A” a statement on the matters specified in paragraphs 3 and 4 of the Order;

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

- a. We have sought and obtained all the 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, statement of profit and loss(including Other Comprehensive Income), the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone IND AS financial statements comply with the Accounting Standards specified under Section 133of the Act;
- 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;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure- B” to this report; and
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit andAuditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. As explained to us, the company did not have any long-term contracts, therefore the Company was not required to make including derivative contracts for which there were any provision for material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by The Company.

For M/s Yogesh Mahipal & Associates
Chartered Accountants
Firm Registration No.:030845N

CA Yogesh Mahipal
Proprietor
Membership No.: 530620

Place: Sri Ganganagar
Date: 29 May 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited) on the financial statements for the year ended March 31, 2018

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us, the Company has not granted any loans or made any investments in or provided any guarantees or security, to parties covered under section 185 and section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employee’s state insurance, income tax, Goods & Services tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues, as applicable to it, however, there have been slight delay in few cases.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, Goods & Services tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues, as applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	TDS	36,719.00	F.Y. 2016-17	Between Mar 2017	Apr- Not paid
		49,957.00	F.Y. 2017-18	Between Sep 2017	Apr- Not paid
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident fund	18,440.00	F.Y. 2017-18	Between Sep 2017	Apr- Not paid

- (c) According to the information and explanation given to us, there are no dues with respect to income tax, Goods & Services tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has neither taken any loans or borrowings from financial institution(s), bank(s) or government nor has issued any debentures as at the balance sheet date. Therefore, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) During the year, the Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, no managerial remuneration has been paid by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s Yogesh Mahipal & Associates
Chartered Accountants
Firm Registration No. 030845N

CA Yogesh Mahipal
Proprietor
Membership No.: 530620

Place: Sriganaganagar
 Date: 29 May 2018

Balance Sheet as at March 31, 2018

	Note No.	As at March 31, 2018	As at March 31, 2017	INR in Lacs As at April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	8,026.05	8,558.03	10,896.79
Capital work-in-progress	3	4,793.10	4,793.10	4,760.32
Financial assets				
Investments	4	0.33	0.33	0.33
Other non-current assets	5	488.77	488.77	521.52
Total Non-current assets		13,308.25	13,840.24	16,178.97
Current assets				
Inventories	6	-	-	351.97
Financial assets				
Trade receivables	7	16,721.73	16,564.57	16,484.16
Cash and cash equivalents		3.09	191.08	5.04
Other current assets	8	1,936.93	649.96	273.16
Assets held for sale	8	569.34	1,170.43	-
Total current assets		19,231.09	18,576.03	17,114.32
TOTAL ASSETS		32,539.34	32,416.27	33,293.29
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	1,811.75	1,811.75	1,811.75
Other equity	10	5,383.30	5,488.75	6,873.27
Total equity		7,195.05	7,300.50	8,685.02
Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	11	727.69	1,174.44	1,062.12
Total non-current liabilities		727.69	1,174.44	1,062.12
Current liabilities				
Financial liabilities				
Borrowings	12	10,651.45	10,629.50	10,630.00
Trade payables		13,058.38	12,201.47	12,905.89
Other financial liabilities		19.91	24.11	9.92
Other current liabilities	13	886.86	1,086.25	0.34
Total current liabilities		24,616.60	23,941.34	23,546.16
Total liabilities		25,344.29	25,115.77	24,608.27
TOTAL EQUITY AND LIABILITIES		32,539.34	32,416.27	33,293.29

Significant accounting policies

1-2

As per our report of even date.

For Yogesh Mahipal & Associates

For and on behalf of the Board of Directors

Chartered Accountants
 Firm Registration No. 030845N

Yogesh Mahipal
Proprietor
M.No. : 530620

Bimla Devi Jindal
 Managing Director

B.D. Aggarwal
 Director

Praveen Bishnoi
 Company Secretary

Place: Sriganaganagar
 Date: May 29, 2018

Statement of profit and loss for the year ended March 31, 2018

	Notes	INR in Lacs	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	14	-	311.51
Other income	15	4.15	-
Total (I)		4.15	311.51
EXPENDITURE			
Cost of materials consumed	16	-	93.82
Decrease in stock of finished goods	17	-	258.16
Employee benefits expenses	18	17.93	35.04
Finance cost	19	0.40	1.22
Depreciation expense		507.68	1,153.29
Other expenses	20	30.33	42.19
Total (II)		556.36	1,583.71
Loss before tax		(552.19)	(1,272.20)
Tax expense			
- deferred tax		(446.75)	112.32
Total Tax expense		(446.75)	112.32
Loss for the year		(105.44)	(1,384.52)
Other comprehensive income		-	-
Total comprehensive income for the year		(105.44)	(1,384.52)
Loss per share (basic and diluted) - Rs.	21	(0.58)	(7.64)
Significant accounting policies	1		

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

As per our report of even date.

For Yogesh Mahipal & Associates

Chartered Accountants
Firm Registration No. 030845N

Yogesh Mahipal
Proprietor
M.No. : 530620

Place: Sriganaganagar
Date: May 29, 2018

For and on behalf of the Board of Directors

Bimla Devi Jindal
Managing Director

B.D. Aggarwal
Director

Praveen Bishnoi
Company Secretary

Cash flow statement for the year ended March 31, 2018

Particulars	INR in Lacs	
	As at March 31, 2018	As at March 31, 2017 Rs.
Cash Flow From operating activities		
Loss before tax from operations	(552.19)	(1,272.20)
Non-cash adjustment to reconcile loss before tax to net cash flows		
Depreciation	507.68	1,153.29
Interest expenses	0.40	1.22
Gain on sale of fixed assets	4.25	-
Interest income	-	-
Operating profit before working capital changes	(39.86)	(117.69)
Movements in working capital		
In trade payables	856.91	(704.42)
In short term provisions	(4.21)	(1.68)
In other current liabilities	(199.39)	1,101.78
In trade receivables	(157.16)	(80.41)
In inventories	-	351.97
In short term loans and advances	(1,286.98)	(376.80)
In Assets held for sale	127.87	-
Cash generated from / (used in) operations	(702.82)	172.75
Direct taxes paid (net of refunds)	(4.78)	-
Net cash flow from / (used in) operating activities (A)	(707.60)	172.75
Cash flows from investing activities		
Proceeds from sale of fixed assets	498.06	15.05
Purchase of fixed assets, CWIP and capital advance	-	(0.03)
Net cash flow from investing activities (B)	498.06	15.02
Cash flows from financing activities		
Proceeds/(repayment) from long term borrowings	21.95	(0.50)
Interest paid	(0.40)	(1.22)
Net cash flow from / (used in) in financing activities (C)	21.55	(1.72)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(187.99)	186.05
Cash and cash equivalents at the beginning of the year	191.08	5.04
Cash and cash equivalents at the end of the year	3.09	191.08
Components of cash and cash equivalents		
Cash on hand	0.08	188.90
With banks on current account		
-on deposit account	3.01	2.18
Total cash and cash equivalents	3.09	191.08

As per our report of even date.

For Yogesh Mahipal & Associates

Chartered Accountants
Firm Registration No. 030845N

Yogesh Mahipal
Proprietor
M.No. : 530620

Place: Sriganaganagar
Date: May 29, 2018

For and on behalf of the Board of Directors

Bimla Devi Jindal
Managing Director

B.D. Aggarwal
Director

Praveen Bishnoi
Company Secretary

Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2018

1. Background of the reporting entity

Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited) was incorporated in the year 1994. The shares of the Company were listed on Bombay Stock Exchange Limited (“the stock exchange”) and other stock exchanges in India in 1996. The Company is an agro based industry manufacturer and grading of Guar Gum Powder and grading of guar splits and its derivatives. Now the Company has diversified its business into the mining of Granite Blocks and manufacturing of Proppants.

I) General information and compliance with Ind AS

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs (‘MCA’) under section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented.

The financial statements for the year ended March 31, 2018 are the first financial statements which the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. For the purpose of comparatives, financial statements for the year ended March 31, 2017 and opening balance sheet as at April 1, 2016 are also prepared and presented as per Ind AS. **Note 29** describe the disclosures required under Ind AS 101.

The financial statements for the year ended March 31, 2018 along with the comparative financial information were authorized and approved for issue by the **Board of Directors on May 29, 2018**.

II) Basis of preparation

The financial statements have been prepared on going concern basis in accordance with generally accepted accounting principles in India. Further, the financial statements have been prepared on a historical cost basis except for following items:

Items	Measurement basis
Certain financial assets and liabilities	Amortized Cost
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefits obligations.
Asset held for sale	Measured at the lower of its carrying amount and fair value less cost to sell,

III) Recent accounting pronouncement

In March 2018, the Ministry of Corporate Affairs (‘MCA’) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 12, ‘Income taxes’, Ind AS 21, ‘The effects of changes in foreign exchange rates and also introduced new revenue recognition standard Ind AS 115 ‘Revenue from contracts with customers’. These amendments rules are applicable to the Company from April 1, 2018.

Ind AS 115 ‘Revenue from Contracts with Customers’ (Ind AS 115)

MCA has notified new standard for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

- (a) Identification of the contracts with the customer
- (b) Identification of the performance obligations in the contract
- (c) Determination of the transaction price
- (d) Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
- (e) Recognition of revenue when performance obligation is satisfied.

The management is yet to assess the impact of this new standard on the Company’s financial statements.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 21

The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognising related expense/income on the settlement of said asset/liability. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain exemptions upon transition to Ind AS, as summarized in **note 29**.

2.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Companies Act, 2013.

2.2 Property, plant and equipment

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (**see Note 3**).

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of

bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss.

Subsequent expenditure

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss.

Depreciation on fixed assets is provided as per the guidance set out in the schedule II to the Companies Act, 2013. Depreciation is charged on straight line method based on estimated useful life of the asset after considering residual value as set out in schedule II to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its fixed assets:

Assets Class	Lives used (in years)
Buildings	15
Plant and Machinery	
Vehicles	10
Office Equipment	5
Furniture & fixtures	10

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Leasehold improvements are amortized over the lease period or the estimated useful life, whichever is shorter.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

De-recognition

An item of property, plant and equipment and any significant component initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset/significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset/significant component) is recognized in statement of profit and loss, when the asset is derecognized.

2.3 Inventories

Inventories of raw materials, stores and spares and packaging materials are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average, and includes expenditure

incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

Finished goods include are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.4 Revenue recognition

Sale of Products

Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is reasonably certain, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, and the amount of revenue can be measured reliably. Revenue is recorded net of Goods & Services tax, customer discounts, rebate and similar charges.

Recognition of interest income

Interest income recorded on accrued basis using the effective interest rate (EIR) method.

2.5 Leases

Company as a lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.

2.6 Impairment

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates

the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company assesses on forward looking basis the expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss is recognized based on the 12 months probability of default or life time probability of default and the expected loss good default estimated for each financial asset. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

2.7 Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Indian Rupee ('₹') which is also the functional and presentation currency of the Company.

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange difference

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates

different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

2.8 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Subsequent measurement

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is primarily derecognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.9 Employee benefits

Short term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

Long term employee benefits - Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes monthly contributions to statutory provident fund (Government administered provident fund scheme) in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit or loss in the period(s) during which the related services are rendered by employees.

2.10 Income tax

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

i. Current tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, balance with banks in current in current accounts.

2.12 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for

events including a bonus issue, right issue and share split transaction.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.13 Provisions

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions required to settle are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Provisions are discounted to their present values, where the time value of money is material.

2.14 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Significant management judgement and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Significant Management Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortizable assets– Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilization of assets.

Statement of changes in equity for the year ended March 31, 2018

I) Equity share capital	(INR in Lacs)
	Amounts
Balance as at April 1, 2016	1,811.75
Changes in equity share capital during the year	-
Balance as at March 31, 2017	1,811.75
Changes in equity share capital during the year	-

II) Other equity
For the year ended March 31, 2018

Particulars	Reserves				Total equity
	Retained earnings	Capital reserves	Securities premium reserve	General reserve	
As at April 1, 2017	4,150.45	1.80	1,336.50	-	5,488.75
Loss for the year	(105.44)	-	-	-	(105.44)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	4,045.01	1.80	1,336.50	-	5,383.30
As at March 31, 2018	4,045.01	1.80	1,336.50	-	5,383.30

For the year ended March 31, 2017

Particulars	Reserves				Total equity
	Retained earnings	Capital reserves	Securities premium account	General reserve	
As at April 1, 2016	5,534.97	1.80	1,336.50	-	6,873.27
Loss for the year	(1,384.52)	-	-	-	(1,384.52)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	(1,384.52)	-	-	-	(1,384.52)
As at March 31, 2017	4,150.45	1.80	1,336.50	-	5,488.75

3(a) Tangible assets

Particulars	INR in Lacs				
	Leasehold land	Buildings	Plant and equipment	Office equipment	Total
Gross Block					
Original Cost as at April 1, 2016	512.64	116.34	10,267.44	0.35	10,896.77
Additions during the year	-	-	-	-	-
Sales/Adjustments*	42.66	109.58	1,033.22	-	1,185.46
Original Cost as at March 31, 2017	469.98	6.76	9,234.22	0.35	9,711.31
Accumulated Depreciation					
Charge for the year	-	6.76	1,146.17	0.35	1,153.28
Sales/Adjustments	-	-	-	-	-
As at March 31, 2017	-	6.76	1,146.17	0.35	1,153.28
Net Block					
As at March 31, 2017	469.98	0.00	8,088.05	-	8,558.03
Gross Block					
Original Cost as at April 1, 2017	469.98	6.76	9,234.22	0.35	9,711.31
Additions during the year	-	-	-	-	-
Sales/Adjustments**	24.29	-	-	-	24.29
Original Cost as at March 31, 2018	445.69	6.76	9,234.22	0.35	9,687.02
Accumulated Depreciation					
As at April 1, 2017	-	6.76	1,146.17	0.35	1,153.28
Charge for the year	-	-	507.68	-	507.68
Sales/Adjustments	-	-	-	-	-
As at March 31, 2018	-	6.76	1,653.86	0.35	1,660.96
Net Block					
As at March 31, 2018	445.69	0.00	7,580.36	-	8,026.05

- (i) *Classified as assets held for sale
 **Refund received against cancellation
 (ii) of land allotted earlier adjusted from cost of land.

3(b) Capital work-in-progress

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Capital work in progress	4,793	4,793	4,760
	4,793.10	4,793.10	4,760.32

4 Financial assets	As at	As at	INR in Lacs
	March 31, 2018	March 31, 2017	As at March 31, 2016
Investments			
Other financial assets (national saving certificate)	0.33	0.33	0.33
	<u>0.33</u>	<u>0.33</u>	<u>0.33</u>
5 Other non-current assets			
Capital advances	488.77	488.77	521.52
Total other non-current assets	488.77	488.77	521.52
6 Inventories (At lower of cost and NRV)			
Raw materials	-	-	93.82
Finished goods:	-	-	258.16
Total inventories	-	-	351.97
7 Financial assets			
Current assets			
i) Trade and other receivables#			
Unsecured, considered good unless otherwise stated			
Debts recoverable	16,721.73	16,564.57	16,484.16
	<u>16,721.73</u>	<u>16,564.57</u>	<u>16,484.16</u>
# includes dues from related parties (refer note 27)			
ii) Cash and cash equivalent			
Balances with banks			
In current accounts	3.01	2.18	2.09
Cash in hand	0.08	188.90	2.95
	<u>3.09</u>	<u>191.08</u>	<u>5.04</u>
8 Other current assets			
Assets held for sale	569.34	1170.43	-
Unsecured, considered good			
Security deposit	-	29.03	31.61
Advances other than capital advances:			
Unsecured, considered good unless otherwise stated			
Advance to suppliers^			
Claim receivable (refer note 37)			
Advance recoverable in cash or kind	-	378.70	-
Advance tax and tax deducted at source	5.76	0.43	0.43
Minimum alternate tax credit receivable	240.92	240.92	240.92
Indirect tax credits	0.67		
Advances to suppliers	1,689.58	0.88	0.20
Total other current assets	1,936.93	649.96	273.16

9 Equity share capital	INR in Lacs	
	As at March 31, 2018	As at March 31, 2017
Authorised Share Capital	6,000.00	6,000.00
60,000,000 (previous year 60,000,000) equity shares of Rs. 10 each	<u>6,000.00</u>	<u>6,000.00</u>
Issued, subscribed and Paid up capital	1,811.75	1,811.75
18,117,500 (previous year 18,117,500) equity shares of Rs.10 each fully paid up	<u>1,811.75</u>	<u>1,811.75</u>
(i) Movements in equity share capital		
	Number of shares (in lakhs)	Equity share capital (par value)
As at April 1, 2016	181.175	1,811.75
Add: Issued during the year	-	-
Balance as at March 31, 2017	181.175	1,811.75
As at April 1, 2017	181.175	1,811.75
Add: Preferential issue of equity shares during the year (Refer Footnote (iii) below)	-	-
As at March 31, 2018	181.175	1,811.75

(ii) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) The Company has passed a Special Resolution in its Extra Ordinary General Meeting held on March 24, 2018 for sub division of face value of equity share from Rs. 10/- each to Re. 1/- each. However, the Company has not given effect to the above resolution yet. An agenda for fixation of record date for sub division of equity share is also part of the board meeting held on May 29, 2018.

(iv) The members of the Company in their extra ordinary general meeting held on March 24, 2018 have approved the issue of 2,75,00,000 equity shares having face value of Rs. 10/- each to qualified investors (other than promoters) and 1,35,00,000 equity shares having face value of Rs. 10/- each to promoters, on a preferential basis at Rs. 10/- per share.

(v) Details of shareholders holding more than 5% shares in the Company #

	March 31, 2018		March 31, 2017	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Bajrang Dass Agarwal	11,51,228	6.35%	11,51,228	6.35%
Dhanna Ram Saharan	-	0.00%	25,00,000	13.80%
Amit Babbar	10,65,598	5.88%	10,65,598	5.88%
Girish Kansal	22,00,000	12.14%	22,00,000	12.14%
Sarbati Devi	21,00,000	11.59%	21,00,000	11.59%
Nir Singh Sandhu	19,00,000	10.49%	19,00,000	10.49%
Puneet	22,00,000	12.14%	-	0.00%

As per the records of the Company, including register of members

(vi) The Company has not issued/allotted any class of shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares during the period of five year immediately preceding the reporting date. Further, no shares of any class were bought back during the period of five year immediately preceding the reporting date.

(vii) Employee Stock Options

During the year under review, Company has passed a Special Resolution in its Extra Ordinary General Meeting held on March 24, 2018 for approval of issuance of 8,50,000 Equity Shares having face value of Rs. 10/- each to the Employees of the Company under "Vikas Gran Employees Stock Option Plan 2018 (ESOP 2018)".

10 Other equity	As at March 31, 2018	As at March 31, 2017	INR in Lacs As at March 31, 2016
i) Retained earnings			
Balance as at the beginning of the year	4,150.45	5,534.97	6,435.87
(Loss)/profit for the year	(105.44)	(1,384.52)	(900.90)
Balance as at the end of the year	4,045.00	4,150.45	5,534.97
ii) Reserves			
Other reserves			
Capital reserve	1.80	1.80	1.80
Securities premium reserve	1,336.50	1,336.50	1,336.50
Other reserves	1,338.30	1,338.30	1,338.30
Total reserves and surplus	5,383.30	5,488.75	6,873.27

a) Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

b) Capital Reserve: this Reserve represents grants of capital nature.

c) Securities Premium Account: this Reserve represents the premium on issue of shares and can be utilized in accordance with the provision of the Companies Act, 2013.

11 Deferred tax liabilities

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Deferred tax liabilities arising on account of			
Difference in written down value of property, plant & equipment	727.69	1,174.44	1,062.12
	727.69	1,174.44	1,062.12

11(a) Deferred tax assets is recognized to the extent that it is probable that future taxable profits will be available against which carried forward tax losses can be utilised. The cumulative unabsorbed business losses amount to Rs.60882133 (March 31, 2017 : Rs.10634872) and cumulative unabsorbed depreciation of Rs. 60882133 (March 31, 2017 Rs. 106994964) on which no deferred tax asset has been recognised in accordance with accounting principles laid under Ind AS for recognition of deferred tax assets. Further, these losses are available to offset for maximum period of eight years from the date of incurrence of loss.

11(b) Movement in deferred tax balances

	Opening as at April 1, 2017	Recognised in profit and loss	Closing as at March 31, 2018
Deferred tax liabilities			
Difference in written down value of property, plant & equipment	1,174.44	(446.75)	727.69
	1,174.44	(446.75)	727.69
Movement in deferred tax balances			
Deferred tax liabilities			
Difference in written down value of property, plant & equipment	1,062.12	112.32	1,174.44
	1,062.12	112.32	1,174.44

12 Financial liabilities - short term**

	As at March 31, 2018	As at March 31, 2017	INR in Lacs As at March 31, 2016
i) Short-term borrowings			
Unsecured loans			
From directors (interest free)	10,626.45	10,629.50	10,630.00
From others (interest free)	25.00	-	-
	10,651.45	10,629.50	10,630.00
ii) Trade and other payables			
-To micro, small and medium enterprises			
-To others	13,058.38	12,201.47	12,905.89
	13,058.38	12,201.47	12,905.89
iii) Other Financial Liabilities			
-Salary and bonus payable	12.98	20.97	7.75
-Other payables	6.93	3.14	2.17
	19.91	24.11	9.92

**includes dues to related parties (refer note 26)

13 Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Advances from customers	885.49	1,085.52	-
Statutory dues (including interest thereon)	1.37	0.73	0.34
	886.86	1,086.25	0.34

14 Revenue from operations

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of goods (gross)		
- Guar gum	-	311.51
	-	311.51

15 Other income

	As at March 31, 2018	As at March 31, 2017
Other income	4.15	-
	4.15	-

16 Cost of material consumed

	As at March 31, 2018	As at March 31, 2017
Inventory at the beginning of the year	-	93.82
Add: Purchases	-	-
	-	93.82
Less: Inventory at the end of the year	-	-
	-	93.82

17 Decrease in stock of finished goods

	As at March 31, 2018	As at March 31, 2017
Inventory at the end of the year	-	-
Less : Inventory at the beginning of the year	-	258.16
	-	258.16

18 Employee benefits expenses

	As at March 31, 2018	As at March 31, 2017
Salaries, wages and allowances	17.62	34.21
Contribution to provident and other funds	0.31	0.83
	17.93	35.04

	INR in Lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
19. Finance cost		
Interest	0.12	0.08
- to others		
Bank charges	0.29	1.14
	0.40	1.22
20. Other expenses		
Chemicals	-	0.04
Freight	0.02	10.03
Loss on sale of fixed assets	4.25	-
Packing material	-	
Power, fuel and water	0.09	9.06
Repair and maintenance	0.39	0.01
Stores and spares consumed	-	0.09
Advertisement expenses	5.12	5.41
Insurance	-	0.03
Legal and professional charges	7.40	5.73
Foreign exchange fluctuation loss	-	0.86
Office expenses	5.31	0.60
Rates and taxes	2.88	5.29
Telephone, postage and stationery	2.10	0.33
Travelling expenses	0.11	0.21
Vehicle running expenses	-	0.08
Miscellaneous expenses	2.65	4.42
	30.33	42.19

20 (a) Payment to auditor includes

As auditor*:

Audit fee	1.50	1.50
Limited review	0.25	0.90
Tax audit	0.24	0.25
* exclusive of service tax	1.99	2.65

	INR in Lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
21. Loss per share (EPS)		
Loss attributable to equity shareholders (for basic and diluted earning)	(105)	(1,385)
Weighted average number of equity shares for basic and diluted earnings per share (face value of Re. 10 each (previous year Re 10))	181.18	181.18
Basic and diluted (Rs.)	(0.58)	(7.64)

22. Segment information

The Company is engaged in the business of manufacturing of guar gum and its derivatives which as per Ind AS 108, Operating Segments is considered to be the only reportable business segment.

23. Detail of dues to micro and small enterprises defined under the MSMED Act 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

24. Capital commitments and contingent liabilities

a) Estimated amount of contracts remaining to be executed on capital account is Rs. Nil (previous year Rs. 98.56 lacs)
b) There are no contingent liabilities.

25. Corporate social responsibility

During the year the company has organised seed distribution programme, in which guar seed for Rs Nil (Previous year Rs. Nil) was distributed free of cost to farmers for promotion of guar cultivation as Corporate Social responsibility prescribed under section 135 of the Companies Act, 2013.

26. Related party disclosure

a. Transactions with related parties are summarised below :

Related party and nature of related party with whom transactions have taken place during the year

1) Key management personnel and their relatives (KMP)

Mrs. Bimla Devi Jindal - Managing Director

Ms. Kamini Jindal - Director

Mr. B D Agarwal - Director

2) Entities controlled by KMPs

Vikas WSP Limited

Vikas Dall and General Mills (Partnership firm)

Vikas Chemi Gums India Limited\$

Vegan Colloids Limited \$

Shree GRG Home Developers Private Limited #

Kuber Warehousing Private Limited &

\$ Entities became related party with effect from 31 July 2015, hence the disclosure have been made for the current year.

Entities ceases to be related party with effect from 3 February 2016.

& Entities ceases to be related party with effect from 3rd December 2015.

Nature of transaction	INR in Lacs			
	Key management personnel		Entities controlled by KMP	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Sales				
- Vikas WSP Limited	-	-	-	69.35
Outstanding balances				
Trade receivable				
- Vikas Chemi Gums India Ltd	-	-	11,306.10	11,148.97
Trade payable				
- Vikas WSP Limited	-	-	10,681.76	9,823.34
- Vegan Colloids Limited	-	-	2,362.39	2,362.39
Unsecured loan payable				
- Mr. B.D. Agarwal	10,626.45	10,629.50	-	-

27. Income tax (credit)/expense	INR in Lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
- Current tax for the year	-	-
- Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
- (Decrease) /increase in deferred tax liabilities	(446.75)	112.32
Total deferred tax expense/(benefit)	(446.75)	112.32
	(446.75)	112.32

27(a) Effective tax reconciliation

Loss before tax	(552.20)	(1,272.20)
Deferred tax credit in profit and loss as per effective	(142.19)	(420.63)
i) Impact of reduction in corporate tax rate	(146.60)	-
ii) Impact of deferred tax earlier years	(186.25)	-
v) Deferred tax assets not recognised	28.29	532.95
Expected tax after adjustments	(446.75)	112.32
As per statement of profit and loss		
Tax (credit)/charged to profit and loss		
Current tax	-	-
Deferred tax (credit)/charge	(446.75)	112.32
	(446.75)	112.32

28. Fair values measurements

Financial instruments by category

Particulars	INR in Lacs					
	March 31, 2018		March 31, 2017		March 31, 2016	
	FVTPL	Amortised cost*	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Trade receivables	-	16,721.73	-	16,564.57	-	16,484.16
Cash and cash equivalents	-	3.01	-	191.08	-	5.04
Other financial assets (current)	-	1,936.95	-	649.96	-	273.16
Total financial assets	-	18,661.69	-	17,405.60	-	16,762.35
Financial liabilities						
Borrowings (current)	-	10,651.45	-	10,629.50	-	10,630.00
Trade payables	-	13,058.38	-	12,201.47	-	12,905.89
Other financial liabilities	-	19.92	-	24.11	-	9.92
Total financial liabilities	-	23,729.75	-	22,855.09	-	23,545.81

For instruments measured at amortised costs, carrying value represents best estimate of the fair value.

Derivative instruments and unhedged foreign currency exposure

The Company has no outstanding derivative instrument at the year end. The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under -

Trade receivables in foreign currency	March 31, 2018		March 31, 2017	
	Foreign Currency (in lacs)	Amount in INR (in lacs)	Foreign Currency (in lacs)	Amount in INR (in lacs)
Foreign currency (USD)	83.22	5,415.36	83.52	5,415.36
	83.22	5,415.36	83.52	5,415.36

Financial risk management objectives and policies

The Company's principal financial liabilities other than derivatives, comprises trade and other payables, security deposits, employee liabilities. The Company's principal financial assets include trade and other receivables, inventories and cash and short-term deposits/ loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. Market risk

Foreign currency sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD with all other variables held constant.

	Change in USD rate	Effect on profit before tax Rs. in lacs
For balance outstanding as at March 31, 2017	5%	270.77
	-5%	270.77
For balance outstanding as at March 31, 2016	5%	270.77
	-5%	(270.77)

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.

A. Trade receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the financial statements. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. Owing to the payment records of customers the Company does not foresee any credit risk.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

March 31, 2018

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	16,721.73	-	16,721.73
Cash and cash equivalents	3.01	-	3.01
Other financial assets (current)	1,936.95	-	1,936.95

March 31, 2017

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	16,564.57	-	16,564.57
Cash and cash equivalents	191.08	-	191.08
Other financial assets (current)	649.96	-	649.96

March 31, 2016

INR in Lacs

Particulars	Estimated gross carrying amount	Expected credit losses	Carrying amount
Trade receivables	16,484.16	-	16,484.16
Cash and cash equivalents	5.04	-	5.04
Other financial assets (current)	273.16	-	273.16

III. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. All current the financial liabilities of the Company are current in nature as disclosed in the financial statements.

29. First time adoption of Ind AS:

- (i) "Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the opening Balance Sheet as per Ind AS as of April 1, 2016 (the transition date) by:
- recognising all assets and liabilities whose recognition is required by Ind AS,
 - not recognising items of assets or liabilities which are not permitted by Ind AS,
 - reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
 - applying Ind AS in measurement of recognised assets and liabilities."

(ii) Reconciliation of equity as per generally accepted accounting principles (Previous GAAP) and as per Ind AS is given below:

INR in Lacs

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Equity as per IGAAP	7,300.50	8,685.02
-Changes in equity	-	-
-Others	-	-
Equity as per Ind AS	7,300.50	8,685.02

(iii) Reconciliation of loss as per generally accepted accounting principles (Previous GAAP) and as per Ind AS is given below-

INR in Lacs

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Loss after tax as reported under IGAAP	(1,384.52)	(900.90)
Ind AS adjustment -	-	-
Loss after tax as per Ind AS	(1,384.52)	(900.90)
Other comprehensive income, net of tax	-	-
Total comprehensive income	(1,384.52)	(900.90)

(iv) (A) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in the financial statements:

(a) Property, plant and equipment and intangible assets were carried in the Balance Sheet prepared in accordance with previous GAAP on March 31, 2016. Under Ind AS, the Company has elected to regard such carrying values as deemed cost at the date of transition.

For Yogesh Mahipal & Associates
Chartered Accountants
Firm Registration No. 030845N

For and on behalf of the Board of Directors

Yogesh Mahipal
Proprietor
M.No. : 530620
Place : Sriganganagar
Date: May 29, 2018

Bimal Devi Jindal
Managing Director

B D Agarwal
Director

Praveen Bishnoi
Company Secretary

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

Vikas Proppant & Granite Limited
(Formerly known as **Vikas Granaries Limited**)

CIN: L14100HR1994PLC036433

Registered office: Hisar Road, Siwani, Haryana-127046.

Tel: 91(154) 2494512/2494552; **Fax:** 91(154) 2494361/2475376

Website: www.vikasgranaries.in **E-mail ID:** office@vikasgranaries.in

ATTENDANCE SLIP

Registered Folio No./DP ID No. / Client ID No.	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	
Number of Shares held:	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 24th Annual General Meeting of the **Vikas Proppant & Granite Limited (Formerly known as Vikas Granaries Limited)** at “**Railway Road, Siwani, Haryana-127046**” on Saturday, 29th September 2018 at 11:00 A.M.

Name of the member / proxy

Signature of member / proxy

Note:

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the AGM.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

EVSN (Electronic Voting Sequence Number)	*Default PAN
	USE YOUR PAN

*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan field.

Note: Please read the instructions printed in the Notice of 24th Annual General Meeting Dated 29th September 2018. The Voting period starts from 26th September 2018 at 10.00 A.M. and ends on 28th September 2018 at 5.00 P.M. The voting module shall be disabled by CDSL for voting thereafter.

Branch Address	
IFSC No	
MICR No.	

(-----)
Signature of Shareholder(s)

Form No. MGT-11 Proxy form

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

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

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

Name:	E-mail Id:
Address:	
Signature, _____ or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the Saturday, 29th day of September 2018 at 11:00 a.m. at Railway Road, Siwani, Haryana-127046 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	Vote	
		For	Against
1.	TO CONSIDER AND ADOPT THE STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018 AND THE REPORT OF THE BOARD OF DIRECTORS AND OF THE AUDITORS THEREON		
2.	TO APPOINT A DIRECTOR IN PLACE OF MRS. KAMINI JINDAL (DIN: 05268741), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT		
3.	TO RATIFY THE APPOINTMENT OF M/S. YOGESH MAHIPAL & ASSOCIATES, CHARTERED ACCOUNTANTS, AS THE STATUTORY AUDITORS OF THE COMPANY		
4.	APPROVAL FOR RELATED PARTY TRANSACTION		
5.	TO ISSUE UP TO 11,35,00,000 EQUITY SHARES ON A PREFERENTIAL BASIS TO PROMOTER'S OF THE COMPANY		
6.	TO ISSUE UP TO 21,15,00,000 EQUITY SHARES ON A PREFERENTIAL BASIS TO QUALIFIED INVESTORS (OTHER THAN PROMOTER)		
7.	TO APPROVE VIKAS GRAN EMPLOYEES STOCK OPTION PLAN 2018 (ESOP 2018)		

Signed this ____ day of _____ 2018

Affix Revenue Stamps

Signature of Shareholder Signature of Proxy holder Signature of the shareholder across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

ROUTE MAP

**24TH ANNUAL GENERAL MEETING OF VIKAS
PROPPANT & GRANITE LIMITED (FORMERLY
KNOWN AS VIKAS GRANARIES LIMITED)**

aps
Railway Station Road

Siwani





VIKAS PROPPANT & GRANITE LIMITED

(Formerly known as Vikas Granaries Limited)