

AARON INDUSTRIES LIMITED

(CIN-U31908GJ2013PLC077306)

REGISTERED OFFICE: B-65 & 66, JAWAHAR ROAD NO. 4, UDHYOG NAGAR,
UDHANA, SURAT – 394210, GUJARAT

Phone: 0261-2278410, E-mail: info1@aaronindustries.net , Website: www.aaronindustries.net

NOTICE

NOTICE is hereby given that the **5TH ANNUAL GENERAL MEETING** of the members of **AARON INDUSTRIES LIMITED** will be held on Monday, the 28th May, 2018 at 11.00 a.m. at the Registered Office of the Company situated at B-65 & 66, Jawahar Road No. 4, Udhayog Nagar, Udhana, Surat – 394210, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amar Doshi (DIN: 00856635) who retires by rotation, and being eligible offers himself for reappointment.
3. To ratify appointment of Statutory Auditor:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, as amended from time to time, the appointment of M/s. P. J. Desai & Co., Chartered Accountants, Surat (Firm Registration No. 102330W) made in the 1st Annual General Meeting (AGM) for a period of 5 years be and is hereby ratified as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 6th Annual General Meeting to be held in the year 2019 on such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 61, 13(1) and other applicable provisions, if any, of the Companies Act, 2013, the Authorized capital of the Company be and is hereby increased from Rs. 4,00,00,000/- (Rupees Four Crore) divided into 40,00,000 (Forty Lakh) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 5,00,00,000/- (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten) each ranking pari passu with the existing equity shares of the Company.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company be amended accordingly and new Clause V will be read as below:

- V. The Authorised Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each.

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RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard.”

5. To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with section 63 and other applicable provisions of the Companies Act, 2013, read with rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of the Association of the Company and on recommendation of the board of Directors of the Company, consent of the Members be and is hereby accorded to the Board for capitalization of such sum standing to the credit of securities premium/free reserves of the Company, as may be considered necessary by the Board, for the purpose of issuance of bonus shares of Rs. 10/- (Rupees Ten Only) each, credited as fully paid up shares to the holders of the existing equity shares of the Company, whose name appear in the Register of Members as on date of this meeting, in the proportion of 7 (Seven) equity shares for every 8 (Eight) existing equity shares held by the Members.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to take all necessary action that may be required in this regard.”

6. To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the necessary approvals, consents, permissions and sanctions required, if any, by the Registrar of Companies, Gujarat and any other appropriate authority, consent of the members be and is hereby accorded for alteration of the Main Object Clause of the Memorandum of Association of the Company by inserting the following new clauses after existing sub clause (1) of clause III(A) therein:

- 2) To carry on in India or elsewhere the business of producing, manufacturing, refining, preparing, processing, cutting, polishing, coating, slitting, buffing, designing, etching, embossing, finishing of all kinds of metals, metals products, including ferrous and non ferrous metals, stainless steel, brass, copper, aluminium, nickel, gold, silver, platinum, alloy steels, and act as manufactures, distributors, traders, importers, exporters, dealers, agents, sub agents and job worker.

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- 3) To carry on in India or elsewhere the business to manufacture, fabricate, assemble, buy, sell, market, let on hire, import, export, repair, maintain, decorate, beautify, service and deal in all kinds of automobile parking solutions including hydraulic lift, stacker lift and other mechanism for auto cycles, motorcycles, scooters, mopeds, auto rickshaws, motor cars, motor buses, motor trucks, tractors, tankers, trailers, tempos, motor boats or other vehicles and to provide all types of spare parts, accessories, equipments of parking management system, gate mechanization services, workshop and garage.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment.”

7. To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, read with relevant rules prescribed there under, whereby a document may be served on any member/s by the Company by sending it to them by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the Company be and is hereby accorded to charge from the member/s the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the Shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

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Place: Surat
Date: 04/05/2018

By Order of the Board of Directors
AARON INDUSTRIES LIMITED

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ANKITKUMAR TANK
Company Secretary
ACS No.: 46542

NOTES:-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Items No. 4 to 6 is annexed hereto.
2. As required under Standard 1.2.5 of SS-2, Secretarial Standard on General Meetings the relevant details of Directors seeking appointment/ re-appointment at the ensuing AGM are given in the annexure to the AGM notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ANNEXED HEREWITH.
4. A PERSON CAN ACT AS PROXY ON BEHALF OF NOT MORE THAN FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours on all working days, up to and including the date of the Annual General Meeting of the Company.
6. The route map showing directions to reach the venue of the 5th AGM is annexed.

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

ITEM NO. 4:

Your Company intends to expand its business activities and for that purpose it requires to raise the funds by issuing further equity shares. Accordingly, the Authorised Share Capital of the Company is required to increase from Rs. 4 Crore to Rs. 5 Crore and also required to alter Clause V of Memorandum of Association of the Company.

Amended copy of the Memorandum of Association is available for inspection of the Members at the Registered Office of the Company on any working days during business hours.

Accordingly, your Directors recommend the Special resolution mentioned in Item no. 4 for approval of the Shareholders.

None of the Directors, KMP or their Relatives are considered to be interested or concerned in passing of the said resolution.

ITEM NO. 5:

Company is having free reserves at its disposal which is available to shareholders of the company. Management decided to share fruits of the growth of the Company by way of issue of bonus shares as a token of appreciation.

Issue of bonus shares requires consent of Members of Company by way of Special Resolution.

Necessary resolution is placed in the notice for your approval.

Accordingly, your Directors recommend the Special resolution mentioned in Item no. 5 for approval of the Shareholders.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Amar Doshi, Mr. Karan Doshi and Mr. Monish Doshi are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

ITEM NO. 6:

The Company is presently engaged in the business of Designing, Development, Manufacturing and Trading of elevator cabins, manual & auto door system and electric equipment. Having regard to the technical experience and financial resource of the Company, the Directors consider that the business activities set out in the Special Resolution are capable of being conveniently or advantageously combined with the

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business presently carried on by the Company, economically and efficiently. To this end, it is proposed to alter Clause III (A) of the Company's Memorandum of Association, by inserting therein, after the present sub-clause (1) thereof, new sub-clauses (2) and (3) set out in the text of the Special Resolution submitted with the Notice.

Section 13 of the Companies Act, 2013 requires a Special Resolution for the alteration of the Main Object Clause of the Memorandum of Association of the Company.

A copy of the existing Memorandum of Association of the Company along with the proposed draft amendments are available for inspection at the Registered Office of the Company on any working days during business hours.

The Board of Directors recommend the resolution for the approval of members of the Company as a Special Resolution.

None of the Directors, KMP or their Relatives are considered to be interested or concerned in passing of the said resolution.

ITEM NO. 7:

As per the provisions of Section 20 of Companies Act, 2013, a member may request for any document through a particular mode, for which the Shareholder shall pay such fees as may be determined by the Company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the Shareholder to the Company.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the Shareholders.

None of the Directors, KMP or their Relatives are considered to be interested or concerned in passing of the said resolution.

(II) DETAILS OF DIRECTORS SEEKING APPONTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO SECRETARIAL STANDARD – 2 ON “GENERAL MEETING”:

NAME OF THE DIRECTOR	MR. AMAR DOSHI
DIN	00856635
Category	Promoter & Managing Director
Date of Birth	16/09/1962

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Age	55 years
Nationality	Indian
Date of First Appointment on the Board	23/10/2013
Relationship with Directors and KMPs	He is the father of Mr. Karan Amar Doshi, Whole-time Director and Mr. Monish Amarbhai Doshi, CFO of the Company.
Qualifications	Diploma in Man Made Fiber Fabrics (with in Plant Training) from Technical Examinations Board of Gujarat State
Expertise in specific functional area	Wide managerial experience in existing business & Industry
Remuneration last drawn	Rs. 12,20,000/- in FY 2017-18
No. of Meetings of the Board attended during the financial year	13 (Thirteen)
Terms and Conditions of Appointment or re-appointment along with remuneration	Mr. Amar Doshi retires by rotation at the ensuing Annual General Meeting and being eligible, seeks reappointment. The terms and conditions of Mr. Amar Doshi are in accordance with the provisions of Companies Act, 2013 and other applicable laws, as may be applicable.
Other Board Membership of Companies as on 31 st March, 2018	1 (One)
Chairman/Member of the Committee of the Board of Directors as on 31 st March, 2018	Nil
Number of shares held in the Company as on 31 st March, 2018	673588 equity shares

Place: Surat
Date: 04/05/2018

By Order of the Board of Directors
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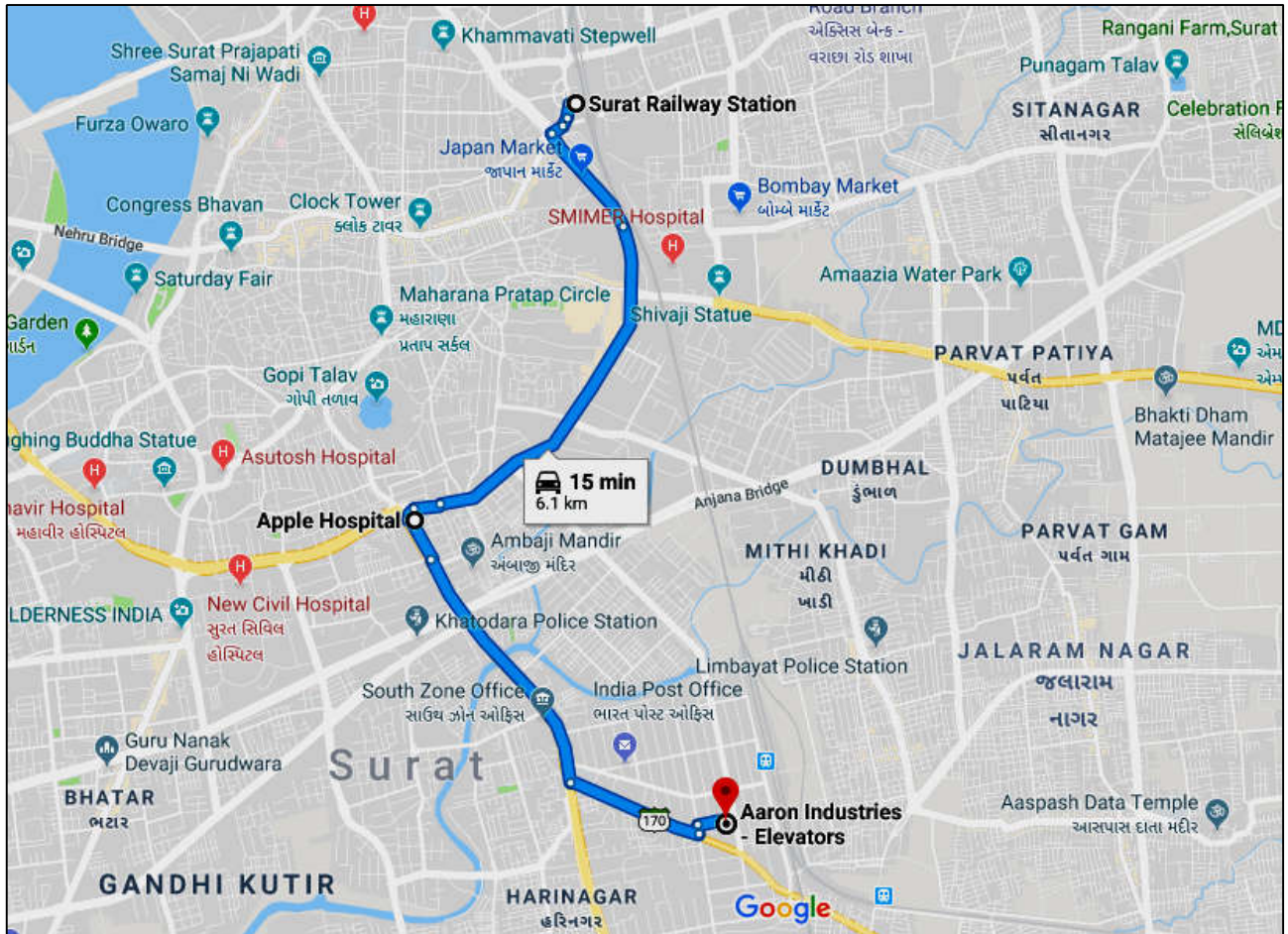
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Route Map to the Venue of the AGM

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DIRECTORS' REPORT 2017-18

To,
The Members,

Your Directors are pleased to present the 5th Annual Report together with Audited Financial statements and Auditors' Report for the year ended on 31st March, 2018.

1. FINANCIAL PERFORMANCE:-

The financial performance of the Company for the year ended 31st March, 2018 is summarized below:

(Amount in Rs.)

Particulars	2017-18	2016-17
Revenue From Operations	11,76,85,802.00	4,79,99,827.00
Other Income	2,18,306.37	31,501.00
Net Income	11,79,04,108.37	4,80,31,328.00
Profit/(Loss) before tax & Exceptional/extraordinary Items	1,33,91,130.27	7,27,547.71
Less:		
Exceptional/Extraordinary items	0.00	0.00
Profit/(Loss) Before Tax	1,33,91,130.27	7,27,547.71
Less: Tax Expense :		
- Current Tax	36,48,665.00	1,78,007.00
- Deferred Tax Charge/ (Credit)	4,37,116.43	39,168.30
Net Profit/(Loss) After Tax	93,05,348.84	5,10,372.41

2. REVIEW OF OPERATIONS:-

The Net Income of your Company for the current year was increased to Rs. 11,79,04,108.37/- as against Rs. 4,80,31,328.00/- of the previous year. Accordingly, the Company's Net Profit After Tax has been increased to Rs. 93,05,348.84/- for the current year as against the Net Profit After Tax of Rs. 5,10,372.41/- of the previous year.

3. DIVIDEND:-

During the year, The Directors have not recommended any dividend on equity shares of the Company.

4. DEPOSITS:-

The Company has not accepted or renewed any Deposit within the meaning of the Companies Act, 2013.

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5. TRANSFER TO RESERVES:-

During the year, the Board has not proposed to transfer any amount to Reserves.

6. MEETINGS OF THE BOARD OF DIRECTORS:-

During the year, 13 (Thirteen) Meetings of the Board of Directors of the Company were held. The dates on which the said meetings were held are as follows:

1.	04.05.2017	2.	05.06.2017	3.	01.07.2017
4.	02.07.2017	5.	15.07.2017	6.	03.09.2017
7.	13.12.2017	8.	26.12.2017	9.	01.01.2018
10.	01.02.2018	11.	10.02.2018	12.	16.03.2018
13.	28.03.2018				

The number of meetings attended by the Directors during year is as follows:

Name	Designation	No. of Board Meetings Attended
Mr. Amar Doshi	Managing Director	13
Mr. Karan Doshi	Whole Time Director	13
Mr. Monish Doshi	Director & CFO	13
Mr. Pradeep Choksi *	Independent Director	3
Mr. Hetal Mehta *	Independent Director	3
Mrs. Shrungi Desai *	Independent Director	3

* Appointed as an Independent Director w.e.f. 01.02.2018.

7. STATUTORY AUDITORS' AND REPORT:-

M/s. P. J. Desai & Co., Chartered Accountants, Surat (Firm Registration No. 102330W) were appointed as Statutory Auditors of the Company at the AGM held on 21st November, 2014 to hold office until the conclusion of the 6th Annual General Meeting of the Company to be held in the year 2019. As per provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by the Members at every Annual General Meeting of the Company. Members are requested to ratify their appointment at the Annual General Meeting. There is no adverse remark or qualification in the Auditor's Report.

8. EXTRACT OF ANNUAL RETURN:-

As provided under Section 92(3) of the Companies Act, 2013, the extract of the Annual Return in form MGT-9 is attached to this report as "Annexure-A".

9. RELATED PARTY TRANSACTIONS:-

Attached herewith in Form AOC-2 as "Annexure-B".

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10. BOARD OF DIRECTORS:-

Your Company has Three (3) Directors as on 1st April, 2017. During the financial year, the following changes occurred in the constitution of Board of Directors of the Company.

- ❖ Mr. Amar Doshi has been appointed as a Managing Director of the Company w.e.f. 1st February, 2018.
- ❖ Mr. Karan Doshi has been appointed as a Whole-time Director of the Company w.e.f. 1st February, 2018.
- ❖ Mr. Pradeepkumar Choksi, Mr. Hetal Mehta and Mrs. Shrunji Desai has been appointed as an Independent Director of the Company w.e.f. 1st February, 2018.

Your Company has Six (6) Directors as on 31st March, 2018.

- ❖ Mr. Amar Doshi, Managing Director of the Company retires by rotation at the ensuing 5th Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

11. KEY MANAGERIAL PERSONNEL:-

Appointment/Change in designation:

During the year, the following persons have been appointed as Key Managerial Personnel (KMP) of the Company:

- ❖ Mr. Amar Doshi has been appointed as a Managing Director of the Company w.e.f. 1st February, 2018.
- ❖ Mr. Karan Doshi has been appointed as a Whole-time Director of the Company w.e.f. 1st February, 2018.
- ❖ Mr. Monish Doshi has been appointed as a CFO of the Company w.e.f. 1st February, 2018.
- ❖ Mr. Ankitkumar Tank has been appointed as a Company Secretary of the Company w.e.f. 1st February, 2018.

12. INDEPENDENT DIRECTORS :-

The Company has received necessary declaration from each Independent Directors under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:-

During the year under review, your Company has not made any loans, guarantees and investments which are governed by the provision of section 186 of the Companies Act, 2013.

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14. INCREASE IN AUTHORISED CAPITAL:-

During the year, Authorised Share Capital of the Company has been increased from Rs. 20,00,000/- (Rupees Twenty Lakh Only) to Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakh Only) in Extra-ordinary General Meeting held on 30th June, 2017 and from Rs. 1,25,00,000/- (Rupees One Crore Twenty Five Lakh Only) to Rs. 4,00,00,000/- (Rupees Four Crore Only) in Extra-ordinary General Meeting held on 1st January, 2018.

15. ISSUE OF BONUS SHARES:-

During the year, Bonus share have been issued to existing shareholders of the Company in the ratio of 1:1. The Board of Directors in its Meeting held on 1st July, 2017 has allotted 94,179 (Ninety Four Thousand One Hundred Seventy Nine) equity share of Rs. 10/- each for the same.

16. PRIVATE PLACEMENT:-

During the year, following Private Placement has been made by way of conversion of unsecured loan into equity:

- I. Members in its Extra Ordinary General Meeting held on 14th July, 2017 has approved the issue of 8,02,600 Equity Shares of Rs. 10/- each fully paid up at a premium of Rs. 2/- per share on Private Placement basis. The Board has made Private Placement Allotment in its Meeting held on 15th July, 2017.
- II. Further, Members in its Extra Ordinary General Meeting held on 1st January, 2018 has approved the issue of 7,95,310 Equity Shares of Rs. 10/- each fully paid up at a premium of Rs 7/- per share on Private Placement basis. The Board has made Private Placement Allotment in its Meeting held on 1st January, 2018.

17. CONVERSION FROM PRIVATE LIMITED TO PUBLIC LIMITED AND CONSEQUANT CHANGE IN THE NAME OF COMPANY:

During the year, the Company has been converted from Private Limited to Public Limited and consequently the name of the Company has been changed from Aaron Industries Private Limited to Aaron Industries Limited w.e.f. 29th January, 2018 upon fresh Certificate of Incorporation issued by the Registrar of Companies, Gujarat. Accordingly, the Company has adopted new set of Articles and Memorandum of Association as per Companies Act, 2013.

18. SHIFTING OF REGISTERED OFFICE OF THE COMPANY:-

During the year, the Board of Directors have approved to shift the Registered Office of the Company from “B-66, 1st Floor, Jawahar Road No. 4, Udhayog Nagar, Udhana, Surat-

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394210, Gujarat, India” to “B-65 & 66, Jawahar Road No. 4, Udhog Nagar, Udhana, Surat-394210, Gujarat, India” w.e.f.1st February, 2018.

19. COMMITTEES OF THE BOARD:-

❖ Audit Committee:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Board of Directors of the Company in their meeting held on 10th February, 2018 has constituted Audit Committee comprising following Directors:

Name	Designation	Category
Mr. Pradeepkumar Choksi	Chairman & Member	NEID
Mr. Hetal Mehta	Member	NEID
Mrs. Shrunji Desai	Member	NEID

NEID: Non-Executive Independent Director

❖ Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company in their meeting held on 10th February, 2018 has constituted Nomination and Remuneration Committee comprising following Directors:

Name	Designation	Category
Mr. Pradeepkumar Choksi	Chairman & Member	NEID
Mr. Hetal Mehta	Member	NEID
Mrs. Shrunji Desai	Member	NEID

NEID: Non-Executive Independent Director

❖ Stakeholders' Relationship Committee:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company in their meeting held on 10th February, 2018 has constituted Stakeholders' Relationship Committee comprising following Directors:

Name	Designation	Category
Mrs. Shrunji Desai	Chairman & Member	NEID
Mr. Pradeepkumar Choksi	Member	NEID
Mr. Hetal Mehta	Member	NEID

NEID: Non-Executive Independent Director

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Phone: 0261-2278410, E-mail: info1@aaronindustries.net, Website: www.aaronindustries.net

20. REMUNERATION POLICY:-

The Members of Nomination & Remuneration Committee has formulated Nomination and Remuneration Policy for Directors, KMP and Senior Management Staff under Section 178 of the Companies Act, 2013 in its Committee Meeting held on 16th March, 2018.

21. VIGIL MECHANISM (WHISTLE BLOWER POLICY):-

Your Company has adopted Vigil Mechanism / Whistle Blower Policy in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 in its Board Meeting held on 16th March, 2018. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. The Vigil Mechanism / Whistle Blower Policy is being made available on the Company's website www.aaronindustries.net.

22. DIRECTORS' RESPONSIBILITY STATEMENT:-

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors confirm that –

- (i) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed and no material departures have been made for the same;
- (ii) appropriate accounting policies have been selected and applied and such judgments and estimates have been made 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 31st March, 2018 and of the profit of the Company for that period;
- (iii) proper and sufficient care have been taken for 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;
- (iv) the annual accounts have been prepared on a “going concern” basis;
- (v) the proper internal financial controls are laid down and are adequate and operating effectively;
- (vi) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

AARON INDUSTRIES LIMITED

(CIN-U31908GJ2013PLC077306)

REGISTERED OFFICE: B-65 & 66, JAWAHAR ROAD NO. 4, UDHYOG NAGAR,
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23. MATERIAL CHANGES AND COMMITMENTS:-

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year till the date of the Directors' Report.

24. CHANGE IN NATURE OF BUSINESS:-

During the year, there was no change in nature of Business of the Company.

25. INTERNAL FINANCIAL CONTROLS:-

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

26. PARTICULARS OF EMPLOYEES:-

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27. HUMAN RESOURCES:-

The Company treats its "Human Resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:-

The particulars required to be included in terms of Section 134(3)(m) of the Companies Act, 2013 with regard to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo are given below.

A. Conservation of Energy:

The Company gives higher priority to conservation of energy. The Company has proper and regular system to reduce power consumption. Further, during the year, the Company has not made any capital investment on energy conservation equipment. The main installations made by the Company for the aforesaid issue are as under:

- ❖ The Company focuses on purchasing such office equipment that consume lesser electricity and thereby reducing the consumption of energy.

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- ❖ The Company in order to reduce the power consumption insists on using special LED tube lights. In this way, in place of electrical bulbs, now only CFLs and Tube lights are being used in the office and in other factory areas.

B. Technology Absorption:

Your Company is keeping a close eye on the new product development and upgradation of technology in existing products. Upgradation in various areas of plant and machinery is continuously carried out.

C. Foreign Exchange Earning and Outgo:

The foreign Exchange earnings and expenditure of the Company is as under.

Earning:	The FOB value of export of the Company during the year aggregated to Rs. 77,52,682/- as against Nil in the previous year
Outgo:	The CIF value of outgo in foreign exchange of the company by way of imports, payment of commission, exhibition and traveling expenses aggregated to 1,04,99,791/- during the year as against 56,28,110/- in the previous year

29. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:-

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

30. CORPORATE SOCIAL RESPONSIBILITY [CSR]:-

The provisions of the CSR expenditure and Composition of Committee as provided in the Section 135 of the Companies Act, 2013 is not applicable to the Company.

31. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:-

During the year, no complaints were received by the Company relating to sexual harassment at workplace.

32. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:-

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

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33. ACKNOWLEDGEMENT:-

Your Directors would like to express their grateful appreciation for the assistance and Co-operation received from the financial institutions, Government Authorities, Customers, Vendors and Members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services of executives, staff and workers of the Company.

By Order of the Board of Directors

AARON INDUSTRIES LIMITED

AMAR DOSHI

Managing Director

DIN: 00856635

A/27, Jivkor Nagar, Ghod Dod Road,
Surat 395001, Gujarat

KARAN DOSHI

Whole-time Director

DIN: 06690242

27/A, Jivkor Nagar, Bhatar Road,
Surat-395007, Gujarat

Place: Surat

Date: 04/05/2018

“ANNEXURE - A” TO DIRECTOR’S REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on 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:	
CIN	U31908GJ2013PLC077306
Registration Date	23/10/2013
Name of the Company	AARON INDUSTRIES LIMITED
Category/Sub Category of the Company	Company limited by shares/ Indian Non-Government Company
Address of the Registered Office and contact details	B-65 &66, Jawahar Road No. 4, Udhyog Nagar, Udhana, Surat – 394210, Gujarat Phone: 0261-2278410, E-Mail: info1@aaronindustries.net Website: www.aaronindustries.net
Whether listed Company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra Phone No.: 022 – 62638200, Fax: 022 - 62638299 Email: investor@bigshareonline.com Website: www.bigshareonline.com

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 & Description of Main Products/Services	NIC Code of Product/Service	% of total turnover of The Company
1	Manufacturing of Elevators parts and accessories	2816	90.95

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name & Address of the Company	CIN / GLN	Holding /Subsidiary / Associate	% of Shares held	Applicable Section
NA	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Shareholding :

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2017)				No. of Shares held at the end of the year (as on 31-03-2018)				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	1,88,358	1,88,358	100.00	0	18,80,447	18,80,447	100.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporates	0	0	0	0	0	0	0	0	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (1)	0	1,88,358	1,88,358	100.00	0	18,80,447	18,80,447	100.00	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	0	1,88,358	1,88,358	100.00	0	18,80,447	18,80,447	100.00	0.00

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non Institutions									
a. Body Corporate									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00					
i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individuals Shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(2):	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C)	0	1,88,358	1,88,358	100.00	0	18,80,447	18,80,447	100.00	0.00

ii) Shareholding of Promoters:								
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2017)			Shareholding at the end of the year (As on 31-03-2018)			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Amar Doshi	39272	20.85	0.00	673588	35.82	0.00	14.97
2	Karan Doshi	56363	29.92	0.00	364222	19.37	0.00	-10.55
3	Monish Doshi	56362	29.92	0.00	354706	18.86	0.00	-11.06
4	Radhika Doshi	18181	9.65	0.00	282431	15.02	0.00	5.37
5	Toral Doshi	9090	4.83	0.00	25925	1.38	0.00	-3.45
6	Bhoomi Doshi	9090	4.83	0.00	24805	1.32	0.00	-3.51
7	Amar Chinubhai Doshi HUF	NA	0.00	0.00	68900	3.66	0.00	3.66
8	Karan Amar Doshi HUF	NA	0.00	0.00	37420	1.99	0.00	1.99
9	Monish Amarbhai Doshi HUF	NA	0.00	0.00	48450	2.58	0.00	2.58
	TOTAL	188358	100.00	0.00	1880447	100.00	0.00	0.00

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

Sr. No.	Promoter's Name	Shareholding at the beginning of the year (01-04-2017)		Date	Increase/ (Decrease) in the Shareholding	Reason	Cumulative Shareholding during the year(01-04-2017 to 31-03-2018)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Amar Doshi	39272	20.85	01-04-2017	-	-	39272	20.85
				01-07-2017	19636	Bonus issue	58908	20.85
				15-07-2017	317500	Private Placement	376408	34.69
				01-01-2018	297180	Private Placement	673588	35.82
				31-03-2018	-	-	673588	35.82
2	Karan Doshi	56363	29.92	01-04-2017	-	-	56363	29.92
				01-07-2017	28182	Bonus issue	84545	29.92
				15-07-2017	281400	Private Placement	365945	33.72
				01-01-2018	50640	Private Placement	416585	22.15
				16-03-2018	(52363)	Transfer of Share by way of Gift	364222	19.37
				31-03-2017	-	-	364222	19.37
3	Monish Doshi	56362	29.92	01-04-2017	-	-	56362	29.92
				01-07-2017	28181	Bonus issue	84543	29.92
				15-07-2017	203700	Private Placement	288243	26.56
				01-01-2018	14100	Private Placement	302343	16.08
				16-03-2018	52363	Transfer of Share by way of Gift	354706	18.86
				31-03-2017	-	-	354706	18.86
4	Radhika Doshi	18181	9.65	01-04-2017	-	-	18181	9.65
				01-07-2017	9090	Bonus issue	27271	9.65
				01-01-2018	255160	Private Placement	282431	15.02
				31-03-2017	-	-	282431	15.02
5	Torai Doshi	9090	4.83	01-04-2017	-	-	9090	4.83
				01-07-2017	4545	Bonus issue	13635	4.83
				01-01-2018	12290	Private Placement	25925	1.38
				31-03-2017	-	-	25925	1.38
6	Bhoomi Doshi	9090	4.83	01-04-2017	-	-	9090	4.83
				01-07-2017	4545	Bonus issue	13635	4.83
				01-01-2018	11170	Private Placement	24805	1.32
				31-03-2017	-	-	24805	1.32
7	Amar Chinubhai Doshi HUF	NA	0.00	01-04-2017	-	-	0	0.00
				01-01-2018	68900	Private Placement	68900	3.66
				31-03-2017	-	-	68900	3.66

8	Karan Amar Doshi HUF	NA	0.00	01-04-2017	-	-	0	0.00
				01-01-2018	37420	Private Placement	37420	1.99
				31-03-2017	-	-	37420	1.99
9	Monish Amar Doshi HUF	NA	0.00	01-04-2017	-	-	0	0.00
				01-01-2018	48450	Private Placement	48450	2.58
				31-03-2017	-	-	48450	2.58

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2017)		Date	Increase/ Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
NIL								

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year (01-04-2017)		Date	Increase/ Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Amar Doshi (Managing Director)	39272	20.85	01-04-2017	-	-	39272	20.85
				01-07-2017	19636	Bonus issue	58908	20.85
				15-07-2017	317500	Private Placement	376408	34.69
				01-01-2018	297180	Private Placement	673588	35.82
				31-03-2018	-	-	673588	35.82
2	Karan Doshi (Whole-time Director)	56363	29.92	01-04-2017	-	-	56363	29.92
				01-07-2017	28182	Bonus issue	84545	29.92
				15-07-2017	281400	Private Placement	365945	33.72
				01-01-2018	50640	Private Placement	416585	22.15
				16-03-2018	(52363)	Transfer by way of Gift	364222	19.37
				31-03-2017	-	-	364222	19.37
3	Monish Doshi (Director & CFO)	56362	29.92	01-04-2017	-	-	56362	29.92
				01-07-2017	28181	Bonus issue	84543	29.92
				15-07-2017	203700	Private Placement	288243	26.56
				01-01-2018	14100	Private Placement	302343	16.08
				16-03-2018	52363	Transfer by way of Gift	354706	18.86
				31-03-2017	-	-	354706	18.86
4	Pradeepkumar Choksi (Independent Director) \$	0	0.00	01-04-2017	-	-	0	0.00
				31-03-2017	-	-	0	0.00

5	Hetal Mehta (Independent Director) \$	0	0.00	01-04-2017	-	-	0	0.00
				31-03-2017	-	-	0	0.00
6	Shrungi Desai (Independent Director) \$	0	0.00	01-04-2017	-	-	0	0.00
				31-03-2017	-	-	0	0.00
7	Ankitkumar Tank (Company Secretary) @	0	0.00	01-04-2017	-	-	0	0.00
				31-03-2017	-	-	0	0.00

\$ Appointed as an Independent Director w.e.f. 01.02.2018.

@ Appointed as a Company Secretary w.e.f. 01.02.2018.

V) INDEBTEDNESS:				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,34,054.12	1,04,38,205.00	0.00	1,33,72,259.12
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	29,34,054.12	1,04,38,205.00	0.00	1,33,72,259.12
Change in Indebtedness during the financial year				
Addition	50,55,359.79	0.00	0.00	50,55,359.79
Reduction	0.00	84,93,660.00	0.00	84,93,660.00
Net Change	50,55,359.79	-84,93,660.00	0.00	-34,38,300.21
Indebtedness at the end of the financial year				
i) Principal Amount	79,89,413.91	19,44,547.00	0.00	99,33,958.91
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	79,89,413.91	19,44,547.00	0.00	99,33,958.91

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :					
A. Remuneration to Director, Managing Director, Whole-time Directors and/or Manager:					
Sr. No.	Particulars of Remuneration	Amar Doshi (Managing Director)*	Karan Doshi (Whole- time Director)*	Monish Doshi (Director & CFO)*	Total Amount (In Rs.)
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	12,20,000	11,40,000	9,00,000	32,60,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	NA
3	Sweat Equity	0	0	0	NA
4	Commission				
	- as % of profit	0	0	0	NA
	- others (specify)	0	0	0	NA
5	Others, please specify	0	0	0	NA
	Total	12,20,000	11,40,000	9,00,000	32,60,000
Total Managerial Remuneration(A)					32,60,000
Ceiling as per the Act					

* Mr. Amar Doshi, Mr. Karan Doshi and Mr. Monish Doshi has been appointed as a Managing Director, Whole-time Director and Chief Financial Officer of the Company respectively w.e.f. 01-02-2018. Upto January-2018, remuneration of Rs. 90,000/- per month paid to each as a Director.

B. Remuneration to other Directors:					
Sr. No.	Particulars of Remuneration	Pradeepkumar Choksi (Independent Director)	Hetal Mehta (Independent Director)	Shrungi Desai (Independent Director)	Total Amount (In Rs.)
1	Independent Directors				
	(a) Fee for attending Board Committee Meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors				
	(a) Fee for attending Board Committee Meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
Total Managerial Remuneration (A+B)					32,60,000
Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/WDT/Manager:				
Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total (in Rs.)
		Ankitkumar Tank (Company Secretary)*	Monish Doshi (Director & CFO)**	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	48,078	2,40,000	2,88,078
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	NA	NA	NA
3	Sweat Equity	NA	NA	NA
4	Commission			
	- as % of profit	NA	NA	NA
	- others, specify	NA	NA	NA
5	Others, please specify	NA	NA	NA
	Total	48,078	2,40,000	2,88,078

* Appointed as a Company Secretary w.e.f. 01-02-2018.

** Appointed as a Chief Financial Officer w.e.f. 01-02-2018.

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					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

By Order of the Board of Directors
AARON INDUSTRIES LIMITED

AMAR CHINUBHAI DOSHI
Managing Director (DIN:00856635)

KARAN AMAR DOSHI
Whole-time Director (DIN:06690242)

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

		MOTI ENTERPRISE (Director is Partner)	MOTI ENTERPRISE (Director is Partner)	MOTI INDUSTRIES (Director is Partner)	MOTI ENTERPRISE (Director is Partner)	MACHINE SPARE TRADERS (Director is Partner)	MACHINE SPARE TRADERS (Director is Partner)	AMAR DOSHI (Director)	KARAN DOSHI (Director)	MONISH DOSHI (Director)	CHINUBHAI DOSHI (Relative of Director)
(a)	Name(s) of the related party and nature of relationship										
(b)	Nature of contracts/ arrangements/ transactions	Job Work	Purchase of goods	Rent	Buying of fixed assets	Buying of fixed assets	Buying of property	Buying of property	Buying of property	Buying of property	Availing Services
(c)	Duration of the contracts/ arrangements/ transactions	Continuous	Current year	Continuous	Current year	Current year	Current year	Current year	Current year	Current year	Current year
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any (in Rs.)	1420460	8687310	108000	8289575	203600	757606	298504	495921	450000	
(e)	Date(s) of approval by the Board, if any:	31.03.2017	31.03.2017	31.03.2017	31.03.2017	15.07.2017	03.02.2017	15.07.2017	05.06.2017	01.07.2017	
(f)	Amount paid as advances, if any:	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

By Order of the Board of Directors
AARON INDUSTRIES LIMITED

AMAR CHINUBHAI DOSHI
Managing Director
DIN: 00856635

KARAN AMAR DOSHI
Whole-time Director
DIN:06690242

PALLAV J.DESAI
B. Com., F.C.A., D.I.S.A (ICAI)

P. J. DESAI & CO
CHARTERED ACCOUNTANTS
34,Third Floor, Maher Park-A,
Ring Road, AthwaGate, Surat - 395001
PH: (O) 2477082,
(M) 94284-57082

To the Members of Aaron Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Aaron Industries Limited**, which comprises the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B 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 it appears from our examination of those books
 - c. The reporting on the accounts of the branch offices of the Company is not applicable as the company has no branch offices.
 - d. The financial statements dealt with by this report are in agreement with the books of account.
 - e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) except non compliance with AS-15 so far as it relates to accounting of gratuity liability on actuarial basis. (Refer Notes to Account N1 (f))
 - f. There are no financial transactions or matters having any adverse effect on the functioning of the company.

- g. on the basis of the written representations received from the directors as on 31 March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- h. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “ Annexure A”;and
- i. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for P.J.DESAI & CO
Chartered Accountants

Place : SURAT
Date : 04/05/2018

PALLAV J DESAI
M.No. 039868
FRN No. 102330W

PALLAV J.DESAI
B. Com., F.C.A., D.I.S.A (ICAI)

P. J. DESAI & CO
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34,Third Floor, Maher Park-A,
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Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Aaron Industries Limited** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for P.J.DESAI & CO

Chartered Accountants

PALLAV J DESAI

M.No. 039868

FRN No. 102330W

PALLAV J.DESAI
B. Com., F.C.A., D.I.S.A (ICAI)

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Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The company has maintained fixed assets records showing full particulars, including quantitative details and situations of the fixed asset.
(b) As explained to us, the company has verified the a few groups of fixed assets during the year. No material discrepancies were notified on such physical verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not own any immovable property except building which is self – constructed, hence the provisions of clause 3(i)(c) of the order are not applicable to the company.
- (ii) The company has conducted the physical verification of inventory at reasonable intervals during the year. As per information and explanations furnished to us no material discrepancies were noticed on such verification.
- (iii) The Company has not granted any loans (secured or unsecured) to companies, LLP's or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) to (c) of the Order are not applicable to the company and hence not provided any comments upon it.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made during the year.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities carried on by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, duty of customs, service tax, cess, employees state insurance, gst and duty of excise have been generally regularly deposited during the year by the Company with the appropriate authorities except in case of deposit of ESI, PF, there was delay in two months. Similarly, in case of TDS there were 2 instances of late deduction and deposit, where the interest has been paid. According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company there are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which are not deposited by the company.
- (viii) The company has not defaulted in repayment of loans or borrowing to bank. The company has not availed any loan or borrowing from financial institution (other than bank), Government and has not issued any debentures, hence, comments are not required to be offered for loans or borrowings from such entities.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence the requirement of clause 3(ix) of the order is not applicable for the same. Regarding money raised by way of term loan, the same has been utilized for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of sec 197 read with Schedule V to the Companies act .
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company as defined in Section 406(1) of the Companies Act, 2013.. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year and requirement of Sec 42 has been complied with and the amount raised has been used for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and accordingly the provisions of Clause 3(xvi) of the order are not applicable to the company.

AARON INDUSTRIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	Figures as at the end of current reporting period 31-03-2018	Figures as at the end of reporting period 31-03-2017
I. EQUITY AND LIABILITIES			
<u>(1) Shareholders' Funds</u>			
(a) Share Capital	B1.1	18804470.00	1883580.00
(b) Reserves and Surplus	B2	16572653.07	1036724.23
(c) Money received against share warrants		0.00	0.00
<u>(2) Share Application money pending allotment</u>			
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	B3.1	4308902.37	10438205.00
(b) Deferred Tax Liabilities (Net)	B4.1	554718.73	117602.30
(c) Other Long Term Liabilities		0.00	0.00
(d) Long Term Provisions		0.00	0.00
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	B5.1	5625058.54	2934054.12
(b) Trade Payables	B6.1	18141031.00	6183127.00
(c) Other Current Liabilities	B7	5035793.76	2939535.75
(d) Short-Term Provisions	B8	568394.00	24892.00
Total Equity & Liabilities		69611021.47	25557720.40
II. ASSETS			
<u>(1) Non-Current Assets</u>			
(a) Fixed Assets	B9		
(i) Gross Block		15739672.93	1468649.00
(ii) Depreciation		1261091.00	256421.00
(iii) Net Block		14478581.93	1212228.00
(b) Long term loans and advances	B10	520000.00	20000.00
(c) Non-current investments	B11	846761.23	0.00
<u>(2) Current Assets</u>			
(a) Inventories	B12	33105180.00	14950100.00
(b) Trade receivables	B13.1	15587102.75	6956897.40
(c) Cash and Bank Balances	B14	86851.00	191092.00
(d) Short-term loans and advances	B15.1	566975.00	9641.00
(e) Other current assets	B16	4419569.56	2217762.00
Total Assets		69611021.47	25557720.40

**Significant Accounting Policies and
Other Notes Forming Parts of Accounts**

(P1 TO P8.7, B1 TO B16, N1 TO N2)

For and on behalf of Board of Directors

**For P J Desai & Co.
Chartered Accountants**

Amar Doshi, Managing Director _____

Karan Doshi, Whole-time Director _____

Monish Doshi, Chief Financial Officer _____

Ankitkumar Tank, Company Secretary _____
4th May, 2018 Surat

CA Pallav Desai
Proprietor
M No. 039868 FRN 102330W
4th May, 2018 Surat

AARON INDUSTRIES LIMITED

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

Sr. No	Particulars	Note	Figures for the current reporting period 01-04-2017 to 31-03-2018	Figures for the reporting period 01-04-2016 to 31-03-2017
I	Revenue from operations	P1	117685802.00	47999827.00
II	Other Income	P2	218306.37	31501.00
III	III. Total Revenue (I +II)		117904108.37	48031328.00
IV	Expenses:			
	Cost of materials consumed	P3	78803037.74	36457355.89
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade - Increase (Decrease)	P4	(8596840.00)	(4635596.00)
	Employee Benefit Expense	P5	15760809.70	3437731.00
	Financial Costs	P6	1425450.24	1722512.49
	Depreciation and Amortization Expense	P7	1004670.00	115156.00
	Other Expenses	P8.1	16115850.42	10206620.91
	Total Expenses (IV)		104512978.10	47303780.29
V	Profit before exceptional and extraordinary items and tax	(III - IV)	13391130.27	727547.71
VI	Exceptional Items		0.00	0.00
VII	Profit before extraordinary items and tax (V - VI)		13391130.27	727547.71
VIII	Extraordinary Items		0.00	0.00
IX	Profit before tax (VII - VIII)		13391130.27	727547.71
X	Tax expense:			
	(1) Current tax		3648665.00	178007.00
	(2) Deferred tax		437116.43	39168.30
	(3) Taxation of Earlier Year			
XI	Profit(Loss) from the period from continuing operations	(IX-X)	9305348.84	510372.41
XII	Profit/(Loss) from discontinuing operations		0.00	0.00
XIII	Tax expense of discounting operations		0.00	0.00
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		0.00	0.00
XV	Profit/(Loss) for the period (XI + XIV)		9305348.84	510372.41
XVI	Earning per equity share:	P8.7		
	(1) Basic		9.08	2.71
	(2) Diluted		9.08	2.71

Significant Accounting Policies

Other Notes Forming Parts of Accounts

(P1 TO P8.7,B1 TO B16,N1TO N2)

For and on behalf of Board Of Directors

**For P J Desai & Co.
Chartered Accountants**

Amar Doshi, Managing Director _____

Karan Doshi, Whole-time Director _____

Monish Doshi, Chief Financial Officer _____

Ankitkumar Tank, Company Secretary _____
4th May, 2018 Surat

CA Pallav Desai
Proprietor
M No. 039868 FRN 102330W
4th May, 2018 Surat

AARON INDUSTRIES LIMITED

Cash Flow Statement for the year ended on 31st March, 2018

	This Year	Pre. Year
Cash Flow from Operating Activities		
Net Profit Before Tax	13391130.27	727547.71
Add: Depreciation	1004670.00	115156.00
Interest/Dividend	1425450.24	1722512.49
	15821250.51	2565216.20
Less: Investment Income	218306.37	31501.00
	218306.37	31501.00
Operating Profit before Working Capital Changes	15602944.14	2533715.20
Adjustment for Working Capital Changes		
Cash Inflow		
Increase in Trade Payable	11957904.00	0.00
Increase in Short Term provisions	0.00	21847.00
Increase in Other Current Liabilities	2096258.01	1327392.75
Decrease in Trade & Other Receivable	0	611328.60
	14054162.01	1960568.35
Cash Outflow		
Decrease in Trade Payable	0.00	350059.00
Decrease in Short Term provisions	-543502.00	0.00
Increase in Inventories	18155080.00	3098935.00
Increase in Trade & Other Receivable	8630205.35	0.00
Increase in Other Current assets	1701807.56	1211020.00
	27943590.91	4660014.00
Cash From Operations	1713515.24	-165730
Interest Paid	1425450.24	1722512.49
Direct Taxes Paid	3648665.00	178007.00
	5074115.24	1900519.49
Net Cash Flow from Operating Activities	A	-3360600.00
Cash Flow from Investing Activities		
Net Purchases of FA	-14271023.93	-370408.00
Increase in Other Non Current Investments	-846761.23	573873.00
Increase in Long term Loans & Advances	-1000000.00	0.00
Increase in Short term Loans & Advances	-557334.00	-9641.00
Cash Inflow Interest Income	218306.37	31501.00
Net Cash Used in Investing Activities	B	-16456812.79
Cash Flow from financing Activities		
Cash inflow increase/(decrease) in Long Term Borrowings	-6129302.63	239185.00
Cash inflow from Increase in Short Term Borrowing	2691004.42	1663857.94
Cash flow from issue of share capital	16920890.00	20000.00
Cash flow from issue of share premium	6230580.00	2160.00
Net Cash inflow from Financing Activities	C	19713171.79
Net Cash Changes	-104241.00	84278.00
Cash and Bank Opening	191092.00	106814.00
Cash and Bank Closing	86851.00	191092.00

For and on behalf of Board Of Directors

Amar Doshi, Managing Director _____

Karan Doshi, Whole-time Director _____

Monish Doshi, Chief Financial Officer _____

Ankitkumar Tank, Company Secretary _____
4th May, 2018 Surat

As per our report of even date
For P J Desai & Co.
Chartered Accountants

CA Pallav Desai
Proprietor
M No. 039868 FRN 102330W
4th May, 2018 Surat

Note: The Cashflow Statement has been prepared as per indirect method as notified in AS 3

Notes on accounting

N1) Significant Accounting Policies

a) Basis of preparation of financial statement:

The accounts have been prepared on historical cost basis of accounting. All expenses and income to the extent considered payable and receivable, respectively, are accounted for on accrual basis except export drawback which is accounted on cash basis.

b) Fixed Asset:

Fixed assets are stated at cost of acquisition less accumulated depreciation (except land). Cost comprises of the purchase price and attributable cost of bringing the asset to working condition for its intended use.

c) Depreciation:

The depreciation on fixed asset is provided on S.L.M. in the books of accounts at the rates based on the useful life prescribed as per Sch. II to the companies act, 2013.

d) Investments:

Investments are classified into current and long term investments. Current investments are stated at the lower of cost or fair value. Long term investments are stated at cost.

e) Inventories:

- Raw Material is valued at cost or Net Realizable Value whichever is less.
- WIP valued at cost of production, depending upon its level of completion.
- Finished Goods valued at Cost of Production or Net Realizable Value whichever is less. Cost of Production is determined on FIFO/Weighted Average basis.

f) Employee Benefits:

The company accounted for employee benefits on accrual basis as per accounting standard 15 on employee benefits. However, the company has not accounted for liability of gratuity on actuarial basis under post employment benefit plan. The accounting standard AS-15 employee benefit is not complied to this extent.

g) Taxation:

Company has followed accounting standard AS 22 for determination of tax expense in the accounts. Tax provision for current tax is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. For defer tax the relevant information is stated at note no. 4.2 to balance sheet.

AARON INDUSTRIES LIMITED
Notes Forming Parts of Accounts for the Year 2017-18

Note : B1.1 Share Capital			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	AUTHORIZED CAPITAL 4000000 (200000) Equity Shares of Rs. 10/- each.	40000000.00	2000000.00
		40000000.00	2000000.00
	ISSUED, SUBSCRIBED & PAID UP CAPITAL SHARE CAPITAL A/C 1880447 (188358) Equity Shares of Rs. 10/- each.	18804470.00	1883580.00
	Total	18804470.00	1883580.00

Note : B1.2 Reconciliation of equity shares					
		Year end 31-03-2018		Year end 31-03-2017	
Reconciliation of No. of Shares for the year ended 31/03/2018		Authorized Capital	Issued/paid up Capital	Authorized Capital	Issued/paid up Capital
Opening Balance of Number of Shares		200000	188358	200000	186358
Addition during the year		3800000	1692089	0	2000
Deduction During the year		0	0	0	0
Closing Balance of Number of Shares		4000000	1880447	200000	188358

Note : B1.3 List of shareholder holding share more than 5 % of total shareholding					
		Year end 31-03-2018		Year end 31-03-2017	
Name		No. of Shares	% of Shares Holding	No. of Shares	% of Shares Holding
Amar C Doshi		673588	35.82%	39272	20.85%
Karan A Doshi		364222	19.37%	56363	29.92%
Monish A Doshi		354706	18.86%	56362	29.92%
Radhika R. Doshi		282431	15.02%	18181	9.65%
		1674947	89.07%	170178	90.34%

Note : B1.4 The company has issued and allotted 15,97,910 aggregate number of shares as fully paid up by conversion of loans into shares, without payment being received in cash, on 15-07-2017 (8,02,600 shares) and 01-01-2018 (7,95,310)

Note : B1.5 The company has issued and allotted 94,179 aggregate number of shares on 01-07-2017 as fully paid up by way of bonus shares.

Note : B1.6 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.

Note : B2 Reserve & Surplus			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
1	Capital Reserve	0.00	0.00
2	Capital Redemption Reserve	0.00	0.00
3	Securities Premium reserve		
	Opening Balance (Balance brought forward from previous year)	138518.00	136358.00
	Add:- Shares issued for premium	7172370.00	2160.00
	Less : Bonus Shares	43583.77	0.00
	Closing Balance	7267304.23	138518.00
4	Debenture Redemption Reserve	0.00	0.00
5	Revaluation Reserve	0.00	0.00
6	Shares Option Outstanding Account	0.00	0.00
7	Other Reserve	0.00	0.00
	Closing Balance	7267304.23	138518.00

Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Profit & Loss Account		
	Opening Balance (Balance brought forward from previous year)	898206.23	387833.82
	Less : Bonus Shares	898206.23	0.00
	Add : Profit for the period	9305348.84	510372.41
	Closing Balance	9305348.84	898206.23
	Total	16572653.07	1036724.23

Note : B3.1 Long Term Borrowings			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
		Non Current	Non Current
	Term Loan Secured From Bank		
	HDFC MACHINERY LOAN	2364355.37	0.00
	Loan and Advances UnSecured From Directors		
	AMARBHAI C DOSHI	910467.00	5743735.00
	KARAN A DOSHI	670364.00	2911588.00
	MONISH A DOSHI	363716.00	1782882.00
	Total	4308902.37	10438205.00

Note : B3.2 Machinery Term Loan of Rs. 34,25,873 was obtained from HDFC Bank and has been disbursed on 21-04-2017. The loan is repayable in 60 monthly installments of Rs. 72,958 along with interest from the date of sanction. The amount of Rs. 6,03,190/- is due within a period of one year as per repayment schedule, and therefore it is considered as current maturities of long term debts.

Note : B4.1 Deferred Tax Liability			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	DEFERRED TAX LIABILITIES	554,718.73	117602.30
	Total	554718.73	117602.30

Note : B4.2 As required by the Accounting Standard AS 22 Accounting for Taxes on Income issued by Institute of Chartered Accountants of India, the relevant details are as under.

- a) i) The opening balance of DTL is Rs. 117602 .
- ii) During the year DTL of Rs. 4,37,116 is recognised due to originating Timing diff between accounting and Tax Depreciation
- iii) Net deferred Tax liability as on 31-03-2018 works out to Rs.5,54,719
- b) The DTL of Rs 5,54,719 comprises of difference between accounting and tax depreciation

Note : B5.1 Short Term Borrowings			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Secured HDFC BANK	5625058.54	2934054.12
	Total	5625058.54	2934054.12

Note : B5.2 ii) The company has been sanctioned a CC limit of Rs. 80 Lacs from HDFC bank which is secured by book debts, plant and machinery and stock of the company and also by directors personal guarantee.

Note : B6.1 Trades Payable			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Sundry Creditors	18141031.00	6183127.00
	Total	18141031.00	6183127.00

Note : B6.2 The company is in process of identifying MSME units amongst it's creditors and the relevant information is not ascertainable.

Note : B7 Other Current Liabilities			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Employee Related		
	O/S SALARY EXPENSE	516892.00	64536.00
	GRATUITY	412530.00	0.00
	TRUPESH I PATEL -SARAFI	130.00	0.00
	O/S PROFESSIONAL TAX	11260.00	870.00
	O/S PROVIDAND FUND A/C	116228.00	0.00
	LEAVE SALARY PAYABLE A/C	140618.00	0.00
	O/S ESI EXPENSE	49539.00	0.00
	O/S FAMILY PENSION FUND	35521.00	0.00
	Other Payable		
	TDS PAYABLE A/C	22236.00	217366.00
	O/S CENTRAL SALES TAX EXPENSE	0.00	104839.00
	O/S SALES TAX EXPENSE	0.00	495376.00
	C - FORM DEPOSITE FUND	67355.00	496718.00
	C FORM DEPOSIT 2015-16	2204.00	0.00
	C FORM DEPOSIT 2017-18	280097.00	0.00
	C FORM DEPOSIT 2016-17	201886.00	0.00
	IGST PAYABLE	485339.00	0.00
	HDFC MACHINERY LOAN	603189.61	0.00
	Advance from customer	1844323.15	1474913.75
	Sundry Creditors for expense	246446.00	84917.00
	Total	5035793.76	2939535.75

Note : B8 Short Term Provisions			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Others TAX PAYABLE	568394.00	24892.00
	Total	568394.00	24892.00

AARON INDUSTRIES LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2018

Note	B9 Particulars	Fixed Assets				Depreciation			Net Block		
		Gross Block									
Sr.		Value at the beginning as on 01/04/2017	Addition during the year	Deduction during the year	Value at the end as on 31/03/2018	Value at the beginning as on 01/04/2017	Addition during the year	Deduction during the year	Value at the end as on 31/03/2018	WDV as on 31.03.2018	WDV as on 31.03.2017
I	<u>Tangible Assets</u>										
	FACTORY BUILDING	182230.00	0.00	0.00	182230.00	11017.00	6073.00	0.00	17090.00	165140.00	171213.00
	COMPUTER	0.00	30160.00	0.00	30160.00	0.00	1492.00	0.00	1492.00	28668.00	0.00
	COMPUTER	20000.00	164828.25	0.00	184828.25	8578.00	17459.00	0.00	26037.00	158791.25	11422.00
	LAPTOP	25000.00	0.00	0.00	25000.00	21255.00	2495.00	0.00	23750.00	1250.00	3745.00
	FURNITURE	27365.00	108471.00	0.00	135836.00	6846.00	58600.00	0.00	65446.00	70390.00	20519.00
	VEHICLE	0.00	1643362.00	0.00	1643362.00	0.00	224656.00	0.00	224656.00	1418706.00	0.00
	OFFICE EQUIPMENT	0.00	11437.00	0.00	11437.00	0.00	2224.00	0.00	2224.00	9213.00	0.00
	AIR CONDITIONER	63200.00	37739.00	0.00	100939.00	3502.00	5038.00	0.00	8540.00	92399.00	59698.00
	PLANT & MACHINERY	980044.00	11997026.68	0.00	12977070.68	157856.00	640406.00	0.00	798262.00	12178808.68	822188.00
	SUB TOTAL (A)	1297839.00	13993023.93	0.00	15290862.93	209054.00	958443.00	0.00	1167497.00	14123365.93	1088785.00
II	<u>Intangible Assets</u>										
	SOFTWARE	170810.00	278000.00	0.00	448810.00	47367.00	46227.00	0.00	93594.00	355216.00	123443.00
	SUB TOTAL (B)	170810.00	278000.00	0.00	448810.00	47367.00	46227.00	0.00	93594.00	355216.00	123443.00
III	<u>Capital Work-in-progress</u>										
1	Building Under Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	SUB TOTAL (C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV	<u>Intangible Assets Under Development</u>										
	SUB TOTAL (D)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total [A + B + C + D] (Current Year)	1468649.00	14271023.93	0.00	15739672.93	256421.00	1004670.00	0.00	1261091.00	14478581.93	1212228.00
	(Previous Year)	1098241.00	370408.00	0.00	1468649.00	141265.00	115156.00	0.00	256421.00	1212228.00	

AARON INDUSTRIES LIMITED
Notes Forming Parts of Accounts for the Year 2017-18

Note : B10 Long Term Loans & Advances			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	CST DEPOSIT A/C	10000.00	10000.00
	DEPOSIT - NEWTURN (CAR LIFTS)	500000.00	0.00
	VAT DEPOSIT A/C	10000.00	10000.00
	Total	520000.00	20000.00

Note : B11 Non Current Investments			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	FIX DEPOSIT IN LAXMI VILAS BANK	838398.97	0.00
	ACCURAL INTEREST- LAXMI VILAS BANK	8362.26	0.00
	Total	846,761.23	0.00

Note : B12 Inventories			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Raw Material	15113852.00	5478436.00
	Ready Goods	14091582.00	0.00
	Semi Processed Goods	3508858.00	9003600.00
	Packing material	390888.00	468064.00
	Total	33105180.00	14950100.00

Note : B13.1 Trade Recievables			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Outstanding for more than six months		
	a) Unsecured, Considered Good	1540182.00	167701.00
	Others		
	a) Unsecured, Considered Good	14046920.75	6789196.40
	Total	15,587,102.75	6,956,897.40

Note : B13.2 Trade Receivables shown above is treated as Current Asset as we are informed that the same are likely to be realized within one year from the reporting date.

Note : B14 Cash and Bank Balances			
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Cash and Cash Equivalents		
1	Cash-in-Hand		
	CASH	70182.00	166307.00
		70182.00	166307.00
2	a)Bank Balance with Scheduled Bank		
	Current Account		
	INDIAN BANK	16669.00	24785.00
		16669.00	24785.00
	Total Cash and Cash Equivavlents	86851.00	191092.00
	Total	86851.00	191092.00

AARON INDUSTRIES LIMITED

Notes Forming Parts of Accounts for the Year 2017-18

Note :		B15.1 Short Terms Loans and Advances	
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	Unsecured, Considered good To employees	566975.00	9641.00
	Total	566,975.00	9,641.00

Note : B15.2 Short term Loans and Advances shown above is treated as Current Asset as we are informed that the same are likely to be realized within one year from the reporting date.

Note :		B16 Other Current Assets	
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	FIX DEPOSIT-LCCAPE-1	0.00	731595.00
	FIX DEPOSIT -LCCAPE-2	0.00	394400.00
	AKSHAR INDUSTRIAL GASES-DEPOSITE	10000.00	0.00
	B.E.D. (PLA)	0.00	27336.00
	BED - CENVAT	0.00	77472.00
	TDS EXPENSE	0.00	9688.00
	VAT CREDIT A/C - FORWARD NEXT YEAR	0.00	43052.00
	CENTRAL TAX - CREDIT A/C	0.00	789.00
	JINAN XINTIAN TECHNOLOGY CO.,LTD	0.00	146859.00
	KORMAS ELECTIRIKLI MOTOR SAN VE TIC	0.00	457034.00
	LODESTAR CONTAINER LINES PVT.LTD	0.00	100000.00
	MATHUR VALLABHBHAI PANCHAL	95.00	25000.00
	MESSE FRANKFURT TRADE FAIRS INDIA PVT LTD	0.00	100000.00
	MOTI ENTERPRISE - PUR	0.00	18674.00
	NANJING HARSLE MACHINE TOOL CO LTD	0.00	84290.00
	SUNSHINE INDUSTRIES	0.00	1573.00
	FOSHAN JILI JIA MACHINERY CO.,LTD.	2481840.00	0.00
	IGST CREDIT AGAINST EXPORT	1193075.00	0.00
	JIO DIGITAL LIFE	5964.00	0.00
	NATIONAL SECURITIES DEPOSITORY LIMITED	10620.00	0.00
	GST CREDIT	73357.06	0.00
	REVERSE CHARGES - URD	23895.50	0.00
	SHANTI SOFTWARES	24780.00	0.00
	SHREEJI AUTOMART PVT LTD	50000.00	0.00
	TDS PAID 94J	9688.00	0.00
	VIRGO PUBLICATIONS	10000.00	0.00
	CENTRAL DEPOSITORY SERVICES (INDIA)LIMITED	26255.00	0.00
	MAHENDRAKUMAR PANDYA - KOSMBA LAND	500000.00	0.00
	Total	4,419,569.56	2,217,762.00

AARON INDUSTRIES LIMITED
Notes Forming Parts of Accounts for the Year 2017-18

Note : P1		Revenue from Operations		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	Sales of Product			
	SALES A/C - TOTAL		117685802.00	47999827.00
	Details of Sales			
	Gross 140671737 (Pre.Yr. 59254566)			
	Duties 22985935 (Pre.Yr. 11254740)			
	Net 117685802 (Pre. Yr. 47999826)			
	Total		117685802.00	47999827.00

Productwise Sales Details

Particulars	Value	Value
(A) Elevator parts & Accessories :-		
C.O.P + L.O.P Set	0.00	35005.00
Door + Frem + Header Set	0.00	687842.00
Elevators	7736694.00	650794.00
Elevator doors	28869349.00	0.00
Elevator Kits	6003808.00	0.00
Header	0.00	2714493.00
Lift Door	0.00	13849946.00
Elevators Cabin	34256922.00	20834700.00
Complete Set	27686731.00	9079363.00
Traction Machine	1105250.00	0.00
Other	1374349.00	147684.00
(B) Electrical Equipments and Accessories :-		
Busbar	1642542.00	0.00
Cable Tray Accessories	6800.00	0.00
D.B.	1634551.00	0.00
Boxes	4513449.00	0.00
Switch & Accessories	2141281.00	0.00
Z Perline	714076.00	0.00
Total	117685802.00	47999827.00

Note : P2		Other Income		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	INTEREST - SARAFI		51502.00	354.00
	INTEREST ON BANK FDR		60310.23	31147.00
	EXPORT DRAWBACK		62935.00	0.00
	FOREX EXPENSE		43559.14	0.00
	Total		218306.37	31501.00

Note : P3		Cost of Material Consumed		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	<u>Opening Stock</u>			
	OPENING STOCK PACKING MATERIAL		468064.00	298474.00
	OPENING STOCK RAW MATERIAL		5478436.00	7184687.00
	<u>Add: Purchases</u>			
	PACKING MATERIAL PURCHASE		3955012.82	1767192.14
	RAW MATERIAL		84406264.92	33153502.75
	<u>Less: Closing Stock</u>			
	CLOSING STOCK PACKING MATERIAL		390888.00	468064.00
	CLOSING STOCK RAW MATERIAL		15113852.00	5478436.00
			78803037.74	36457355.89

AARON INDUSTRIES LIMITED

Notes Forming Parts of Accounts for the Year 2017-18

Details of Consumption		Opening	Purchase	Closing
M.S.Bar/patti/S.S.Sheet/CRC Sheet				
FY 17-18		2846178.00	44300086.86	5827408.00
FY 16-17		3404564.00	18714421.64	2846178.00
Raw Material				
FY 17-18		2064744.00	22082579.00	5230445.00
FY 16-17		2856806.00	10687789.61	2064744.00
Packing Material				
FY 17-18		468064.00	3955012.82	390888.00
FY 16-17		298474.00	1767192.14	468064.00
Other Materials				
FY 17-18		567514.00	18023599.06	4055999.00
FY 16-17		923317.00	3751291.50	567514.00
TOTAL		5946500.00	88361277.74	15504740.00
		7483161.00	34920694.89	5946500.00
Details of Closing Stock		Current Year	Current Year	
		31-03-2018	31-03-2017	
Raw Materials		15113852.00	5478436.00	
Packing Materials		390888.00	468064.00	
Total		15504740.00	5946500.00	

Note : P4		Changes in Inventories	
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	<u>Opening Stock</u>		
	SEMI PROCESSED GOODS	9003600.00	4368004.00
	<u>Less: Closing Stock</u>		
	SEMI PROCESSED GOODS	3508858.00	9003600.00
	FINISHED GOODS	14091582.00	0.00
		(8596840.00)	(4635596.00)
	Total	(8596840.00)	(4635596.00)
	Details of Closing Stock		
	Semi Finished Goods	3508858.00	9003600.00
	Ready Goods	14091582.00	0.00
		17600440.00	9003600.00

Note : P5		Employment Benefit Expenses	
Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	DIRECTOR SALARY	3260000.00	1250000.00
	EMPLOYMENT POLICY PREMIUM	886896.00	900000.00
	INCENTIVE AND ALLOWANCE EXPENSE	2423344.00	347102.00
	LEAVE SALARY EXPENSE	457076.00	24871.00
	STAFF SALARY EXPENSE	2661126.00	293432.00
	WORKER SALARY EXPENSE	4232047.00	575989.00
	BONUS EXPENSE	242821.00	16827.00
	EMPLOYEE WELFARE EXP	95600.00	8370.00
	ESI EXPENSE	334799.00	0.00
	FAMILY PENSION FUND	211004.00	0.00
	GRATUITY EXPENSE	412530.00	0.00
	GUJARAT LABOUR WELFARE FUND	1289.70	0.00
	LINK INSURANCE FUND	72987.00	0.00
	PROVIDENT FUND EXPENSE	461111.00	0.00
	MEDICAL & RELIEF EXPENSE	8179.00	21140.00
	Total	15760809.70	3437731.00

AARON INDUSTRIES LIMITED
Notes Forming Parts of Accounts for the Year 2017-18

Note : P6		Financial Cost		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	BANK CHARGES		232170.26	136186.49
	INTEREST EXPENSE - BANK		660085.98	257053.00
	INTEREST EXPENSES		394615.00	1324658.00
	INTEREST EXPENSES - OTHER		133261.00	4615.00
	INTEREST EXPENSE - INCOME TAX		4568.00	0.00
	INTEREST ON TDS		750.00	0.00
	Total		1425450.24	1722512.49

Note : P7		Depreciation & Amortised Cost		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	FACTORY BUILDING		6073.00	5278.00
	FURNITURE		58600.00	2737.00
	LAPTOP		2495.00	8333.00
	PLANT & MACHINERY		640406.00	59588.00
	SOFTWARE		46227.00	29052.00
	AIR CONDITIONER		5038.00	3502.00
	COMPUTER		18951.00	6666.00
	VEHICLE		224656.00	0.00
	OFFICE EQUIPMENT		2224.00	0.00
	Total		1004670.00	115156.00

Note : P8.1		Other Expenses		
Sr. No	Particulars		Year end 31-03-2018	Year end 31-03-2017
	Manufacturing Expenses			
	CUSTOMS DUTY EDI CVD		0.00	373949.00
	DAI MAINTANANCE		486894.00	75653.00
	ELECTRIC EXPENSE - DGVCL		687456.00	238289.00
	EXCISE DUTY		3368.00	54722.00
	FACTORY INSURANCE EXPENSE		26979.00	17929.00
	FACTORY MAINTANANCE EXPENSE		483117.88	251751.00
	FACTORY MATERIAL & ACCESSORIES		0	87699.05
	FRIGHT IN - TRANSPORT EXPENSE		1629321.15	1189646.00
	FRIGHT IN & OTHER CHARGES - PURCHASE		0	40182.96
	LABOUR - OUTSIDE JOB WORK		1420460.00	2990799.00
	LOADING & UN LOADING EXPENCE		63240.00	24070.00
	MACHINERY MAINTANANCE & PARTS PUR		632027.62	37713.00
	MACHINERY MAINTENANCE PUR		0	45397.10
	PACKING EXPENSE		170757.00	471307.00
	PLATting EXPENSE		80456.90	38255.00
	PROCESSING EXPENSE		777063.62	885367.00
	PROCESSING MATERIAL PURCHASE		1981492.04	37736.65
	SERVICE TAX EXP		28134.00	33540.00
	TOOLS EXPENSE		317812.00	78045.00
	TOOLS PURCHASE		337461.34	144893.10
	SAFETY EXP		79851.07	0.00
	TESTING EXP		12150.00	0.00
	Administrative and General Expenses			
	BAD-DEBT A/C		0.00	167024.55
	ADVERTISEMENT EXPENSE		130550.00	0.00
	COMPUTER EXPENSE		106152.50	110775.00
	CONSULTING FEES & LEGAL EXPENSE		699427.10	214036.00
	FESTIVAL & CELEBRATION EXPENSE		40640.00	20865.00
	FREIGHT OUT- TRANSPORT EXPENSE		185214.05	209115.00
	MISC. EXPENSE		72863.22	0.00
	COMMISSION EXPENSE		850936.00	600000.00
	OFFICE EXPENSE		338237.01	173560.00

AARON INDUSTRIES LIMITED
Notes Forming Parts of Accounts for the Year 2017-18

Sr. No	Particulars	Year end 31-03-2018	Year end 31-03-2017
	REFRESHMENT EXPENSE	134298.00	51527.00
	POST & COURIER EXPENSE	81396.27	63567.00
	PROFESSIONAL TAX	2400.00	2400.00
	ROC FEE EXPENSE	634800.00	0
	RENT EXPENSE	108000.00	84000.00
	STATIONARY EXPENSE	108170.56	26933.00
	TELEPHONE EXPENSE	73626.68	14500.00
	TRAVELLING EXPENSE	1035735.00	1011076.00
	VEHICLE EXPENSE	241809.08	195636.00
	CONVEYANCE EXPENSE	2436.00	79247.00
	SECURITY EXPENSE	49600.00	18950.00
	INTERNET EXPENSE	17600.00	6500.00
	CERTIFICATION AND INSPECTION CHARGES	57007.33	0.00
	CST CREDIT A/C	789.00	0.00
	DONATION EXPENSE	4500.00	0.00
	SALES PROMOTION EXPENSE	744252.00	0.00
	IPO EXPENSE	500000.00	0.00
	CSDL CUSTODY FEES	22250.00	0.00
	NSDL JOINING FEES	30000.00	0.00
	LEGAL EXPENSE	371183.00	0.00
	PETROL & DIESEL EXPENSE	162898.00	0.00
	MEMBERSHIP FEE EXPENSE	64285.00	0.00
	VAT CREDIT A/C	26753.00	0.00
	FOREX LOSS	0	39965.50
	Total	16115850.42	10206620.91

Note : P8.2 Payment to auditors for auditing Rs. 20000, for Taxation Services Rs 9000 and for other Services Rs. 5000.

Note : P8.3 Expenditure in foreign currency (INR) 130000.00 0.00

Note : P8.4 Value of Imports on C.I.F basis (INR)

1. Raw material	6113456.00	5628110.00
2. Components and Spare Parts	0.00	0.00
3. Capital Goods	4386335.00	0.00

Note : P8.5 Earnings in foreign currency (INR)

1. Export of goods calculated on FOB Basis	7752682.00	0.00
2. Royalty, Know-how, professional and consultancy fees	0.00	0.00
3. Interest and Dividend	0.00	0.00
4. Other income, indicating the nature	0.00	0.00

Note : P8.6 Consumption of imported raw materials (INR) 819485.00 3818102.00

Note : P8.7 Total weighted average number of shares outstanding for calculation of EPS 1024677.00 188358.00

Net profit after tax from continuing operations 9305348.84 510372.41

i) Related Party Discloser:

Disclosers required by accounting standard 18 regarding related party transactions are as under.

(i) Name of related parties and description of relationship.

Sr. No.	Description of Relationship	Name of Related Parties
1.	Associates	Moti Enterprise (Three directors are partners in above firm) Moti Industries (One of the director is partner in above firm) Machine Spares Traders (One of the director is partner in above firm)
1.	Key Management Personnel	Mr. Amar C Doshi Mr. Karan A Doshi Mr. Monish A Doshi
2.	Relatives of Key Management Personnel	Mrs. Radhika A Doshi (Spouse of Mr. Amar C Doshi) Mrs. Toral K Doshi (Spouse of Mr. Karan A Doshi) Mrs. Bhoomi M Doshi (Spouse of Mr. Monish A Doshi) Amar Doshi – Huf (HUF of Amar Doshi) Monish Doshi – Huf (HUF of Monish Doshi) Karan Doshi – Huf (Huf of Karan Doshi) Chinubhai Doshi (Father of Mr. Amar Doshi)

(ii) Transactions during the year with related parties.

Sr. No.	Nature of transaction	Associates/ Management including F.Y. 2017-18	Key Personnel Relatives	Associates/ Management including F.Y. 2016-17	Key Personnel Relatives
1.	Payment of Interest on Loan	Amar Doshi – 1,97,971 Karan Doshi – 1,21,956 Monish Doshi – 74,688 Karan Doshi HUF – 10,177 Radhika Doshi – 86,560 Toral Doshi – 2,519 Amar Doshi HUF – 16,594 Bhoomi Doshi – 3,541 Monish Doshi HUF – 13,838		Amar Doshi – 7,55,391 Karan Doshi – 3,30,612 Monish Doshi – 2,38,655	
2.	Payment of Salary to Director/CFO	Amar Doshi – 12,20,000 Karan Doshi – 11,40,000 Monish Doshi – 11,40,000		Amar Doshi – 3,50,000 Karan Doshi – 4,50,000 Monish Doshi – 4,50,000	
3.	Payment of Labour Job Work	Moti Enterprise - 14,20,460		Moti Enterprise – 31,75,859	
4.	Payment of Raw material purchase	Moti Enterprise - 86,87,310 Machine Spares Traders- 4,51,028		-	

5.	Payment of Rent expenses	Moti Industries - 1,08,000	Moti Industries – 3,22,289
6.	Payment of Fixed Assets	Moti Enterprise – 82,89,575 Machine Spares Traders – 2,03,600 Amar Doshi (Skoda)-7,57,606 Karan Doshi (Kwid) – 2,98,504 Monish Doshi (Ertiga) -4,95,921	-
7.	Payment of Professional Fees	Chinubhai Doshi – 4,50,000	-
8.	Sales	-	Moti Enterprise – 35,96,210

N2) Other

- a) Investment shown in the balance sheet is long term in nature.
- b) In the opinion of the company the current assets loans & advances are approximately of the value stated if realized in the ordinary course of business.
- c) Figures for the previous year as well as current year have been regrouped wherever necessary.
- d) The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956 which are applicable as per sec 133 of the companies act 2013 read with the applicable rules. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

for P.J.DESAI & CO**Chartered Accountants****CA PALLAV J DESAI****Proprietor****M.No. 039868****FRN No. 102330W****For and on behalf of Board Of Directors****Amar Doshi, Managing Director****Karan Doshi, Whole-time Director****Monish Doshi, Chief Financial Officer****Ankitkumar Tank, Company Secretary**