

“श्री जी”



National General Industries Ltd.

An ISO 9001 : 2008 Certified Company

32nd Annual Report

2017-18

Board of Directors

Ashok Kumar Modi	Chairman cum Managing Director
Pawan Kumar Modi	Joint Managing Director cum Chief Financial Officer
Pankaj Kumar Agarwal	Independent Director
Chaitanya Dalmia	Independent Director
Vasu Modi	Non-executive Director
Abhilasha Goenka	Independent Director
Vandana Gupta	Company Secretary

Statutory Auditors

N R & Company
Chartered Accountants
C-93, IIIrd Floor,
RDC, Raj Nagar, Ghaziabad, U.P.

Registered Office

3rd Floor, Surya Plaza,
K-185/1, Sarai Julena,
New Friends Colony,
New Delhi – 110 025
Ph. No. : 011-26829517, 19
Fax No.: 011-26920584
E-mail : cs@modisteel.net

Registrar & Transfer Agents

D-153 A, 1st Floor,
Okhla Industrial Area,
Phase I, New Delhi - 110020
Tel.: 011-26812682, 26812683
Fax : 011 – 30857575
Email: admin@skylinerta.com

Works : Re-rolling unit

9th Mile Stone, G.T. Road,
Mohan Nagar,
Ghaziabad – 201 007

Stockyard : Handling unit

Behind Focal Point,
Vill.: Ajnali, Mandi Gobindgarh,
District : Fatehgarh Sahib,
Punjab - 147301

Bankers

State Bank of Patiala
HDFC Bank Limited

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NOTICE

NOTICE is hereby given that the **THIRTY SECOND ANNUAL GENERAL MEETING** of the Members of National General Industries Limited (CIN : L74899DL1987PLC026617) will be held on Saturday, the 29th September, 2018 at 11.30 a.m. at Nawal Vihar, Farm 7, Dera Gaon, New Delhi – 110 030, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31 March, 2018, the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Pawan Kumar Modi (DIN : 00051679) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

By Order of the Board
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Place : New Delhi
Date : 13.08.2018

Sd/-
Vandana Gupta
Company Secretary
Memb. No. : ACS 24012

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide The Companies (Amendment) Act, 2017 (No. 1 of 2018) readwith notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors of the Company, who were appointed at the Annual General Meeting, held on 26th September, 2017.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. This Notice is also being sent with Annual Report alongwith attendance slip, proxy and route map of the venue of the Meeting.
6. Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. Only members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting.



8. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.
9. In terms of Section 152 of the Companies Act, 2013, Shri Pawan Kumar Modi, (DIN : 00051679), Director of the Company, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company, commends his re-appointment.

Details of Directors retiring by rotation, as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meeting (SS-2), issued by the Institute of Company Secretaries of India are as follows :

Name of Director	Mr. Pawan Kumar Modi
DIN Number	00051679
Date of Birth	01-10-1957
Date of Appointment	08-01-1987
Expertise in Specific functional area	Wide experience in technical and finance.
Qualification	B.Sc.(H)
Directorship in other Public Limited Company (As on 31.03.2018)	Not Applicable
Chairman/Member of Committee in other public limited company (As on 31.03.2018)	Not Applicable
Shareholding in the Company (As on 31.03.2018)	2,71,770 (4.91%)

10. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 19th September, 2018 to Saturday, 22nd September, 2018 (both days inclusive).
11. SEBI has in its Board meeting held on March 28, 2018 decided that except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository with effect from 5th December, 2018. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
13. Members who are holding shares in physical form are requested to notify the change in their respective addresses, e-mail ID or Bank details to the Registrar and Transfer Agents (RTA) and always quote their Folio Numbers in all correspondence with the Company and RTA. In respect of holding in electronic form, Members are requested to notify any change in addresses, e-mail ID or Bank details to their respective Depository Participants.
14. Members who have not registered their e-mail address with the Registrar and Transfer Agent of the Company are requested to submit their request with their valid e-mail address to M/s. Skyline Financial Services Pvt. Ltd., if shares are held in physical form. Members holding shares in DEMAT form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
15. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.



16. In compliance with the provisions of section 108 of the Act and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 framed thereunder, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to cast their vote electronically, through the remote e-voting services provided by CDSL, on all resolutions set forth in this Notice.
17. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid. Members who have not cast their vote by either mode that is through remote e-Voting or ballot form shall be allowed to vote at the 32nd AGM, through poll. The members who have cast their vote by remote e-Voting or ballot form shall not be entitled to cast their vote again at the 32nd AGM, however, such members will be entitled to attend the AGM.

The instructions for e-voting are as under:

- (i) The remote e-voting period begins on Wednesday, 26nd September, 2018 (10.00 a.m. IST) and ends on Friday, 28th September, 2018 (5.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 24th September, 2018, may cast their vote electronically by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID :
- a) For CDSL : Enter your User ID which is 16 digits beneficiary ID
- b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
- c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN * Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

* In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- Bank Details Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
 * Please enter the DOB or Bank Detail in order to login. If the detail are not recorded with the depository or company please enter the Number of Shares held in the Bank details field as mentioned in instruction (v)
- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the National General Industries Ltd. on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non-Individual Shareholders & Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on of the account they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



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

18. Other Instructions:

- a. The e-voting period commences on Wednesday, 26th September, 2018 (10.00 a.m. IST) and ends on Friday, 28th September, 2018 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 24th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- b. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Monday, 24th September, 2018.
- c. M/s. Deepak Bansal & Associates, Practicing Company Secretary (FCS No. : 3736 and C. P. No. : 7433), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-Voting process) in a fair and transparent manner.
- d. The Scrutinizer shall, immediately after conclusion of voting at the annual general meeting, first count the vote cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer’s report of the total vote cast in favour and against, if any, to the Chairman, or an authorized person by him, of the Company.
- e. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.modisteel.com and on the website of CDSL and communicated to the BSE Limited, where shares of the Company are listed.

19. **Poll at the Meeting**

After all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of e-voting will be announced by the Company on its website : www.modisteel.com and will also inform to the stock exchanges where the securities of the Company are listed within 48 hours from the conclusion of AGM of the Company.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Second Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended on 31st March, 2018 and 31st March, 2017 are summarized below:-

(Amount in Rupees)

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
INCOME:		
Revenue from operations	182,197,295	170,478,506
Other Income	2,796,172	3,895,805
	184,993,467	174,374,311
EXPENSES:		
Cost of materials consumed	139,602,092	121,854,035
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(1,082,565)	(747,008)
Employee benefit expense	13,551,615	8,751,447
Excise Duty Expense	3,473,912	12,655,640
Financial costs	1,646,665	1,912,215
Depreciation and amortization expense	4,720,289	5,345,742
Other expenses	14,875,567	17,141,508
	176,787,575	166,913,579
Profit before exceptional items and tax	8,205,892	7,460,731
Exceptional Items	-	-
PROFIT BEFORE TAX	8,205,892	7,460,731
TAX EXPENSES:		
Current tax	1,900,000	2,300,000
Current tax - Prior Year	-	(3,009,594)
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	(477,833)	115,207
Profit for the period from continuing operations	6,783,725	8,055,118
PROFIT AFTER TAX	6,783,725	8,055,118
Other Comprehensive Income/(Loss)		
(A) Items that will be reclassified to profit or loss	-	-
(B) Items that will not be reclassified to profit or loss	2,925,854	6,930,432
Remeasurement of post employment benefit obligation		
Income tax relating to this	(353,286)	2,141,504
Total Other Comprehensive Income/(loss) for the year	3,279,140	4,788,928
Total Comprehensive Income/(loss) for the year	10,062,865	12,844,046

**INDIAN ACCOUNTING STANDARDS**

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2017 with a transition date of April 1, 2016. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

Ind AS is applicable to the Company from April 1, 2017. The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in Note 34 in the notes to accounts in the financial statement.

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2018 are as under:

- ⇒ Value of Sales and Services increased by 6.87% to Rs. 1821.97 lakhs.
- ⇒ PBDIT decreased by 0.99% to Rs. 145.73 lakhs.
- ⇒ PBT increased by 5.91% to Rs. 98.74 lakhs.
- ⇒ Net Profit increased by 9.99% to Rs. 82.06 lakhs.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of your company during the year.

DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March, 2018.

TRANSFER TO RESERVES

The net movement in the Reserves of the Company is as under:

Particulars	F.Y. 2017-18	F.Y. 2016-17
General Reserve	Rs. 20,00,000/-	Rs. 20,00,000/-
Decrease in Revaluation Reserve	Rs. 96,288/-	Rs. 1,06,392/-
Surplus in Statement of Profit and Loss	Rs. 67,83,725/-	Rs. 80,55,118/-
Other Comprehensive Income	Rs. 32,79,140/-	Rs. 47,88,928/-

DEPOSITS FROM PUBLIC

During the year under review, your Company did not invite / accept any Deposits from the public under section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

EXTRACT OF ANNUAL RETURN

Pursuant to the Section 92(3) of the Companies Act, 2013 extract of the Annual Return is annexed to this report as **Annexure I** and forms part of this Annual Report and is also available at the website of the company www.modisteel.net

NUMBER OF BOARD MEETINGS & ATTENDANCE OF DIRECTORS

During the Financial Year 2017-18, 4 (Four) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 30.05.2017, 31.08.2017, 13.12.2017 and 14.02.2018.

The details of composition of the Board, the attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2018 and at the last Annual General Meeting (AGM), and the details of their other Directorships and Committee Chairmanships and Memberships are given below:



Category	Name of Director	No. of Board Meeting attended	Attendance at last AGM	No. of Directorships in other Public Limited Companies	No. of Chairmanship / Memberships of Committees in other Public Limited Companies
Executive Directors	Shri Ashok Kumar Modi	4	Yes	-	-
	Shri Pawan Kumar Modi	4	Yes	-	-
Non-Executive Non-independent Directors	Shri Vasu Modi	4	Yes	1	-
Non-Executive Independent Directors	Shri Pankaj Agarwal	4	Yes	-	-
	Shri Chaitanya Dalmia	3	No	3	1
	Smt. Abhilasha Goenka	4	No	-	-

Number of Equity Shares held by Directors as on 31st March, 2018 are as under:-

Name of Director	Designation	Nos. of Equity Shares held
Shri Ashok Kumar Modi	Chairman & Managing Director	271770
Shri Pawan Kumar Modi	Joint Managing Director	271770
Shri Vasu Modi	Non-Executive Director	359745
Shri Pankaj Agarwal	Independent Director	-
Shri Chaitanya Dalmia	Independent Director	-
Smt. Abhilasha Goenka	Independent Director	-

DIRECTORS & KEY MANAGERIAL PERSONNEL

In terms of Section 149 of the Act, the Members, at their meeting held on 30th September, 2014, appointed the following as Independent Directors of the Company:

- Mr. Pankaj Aggarwal
- Mr. Chaitanya Dalmia
- Mrs. Abhilasha Goenka

The Company has received the declaration under section 149(6) of the Companies Act, 2013 from the Independent Directors of the Company.

In terms of Section 203 of the Act, the following are designated as Key Managerial Personnel of your Company by the Board:

- Mr. Ashok Kumar Modi, Managing Director
- Mr. Pawan Kumar Modi, Joint Managing Director cum Chief Financial Officer
- Mr. Vandana Gupta, Company Secretary

In terms of section 152 of the Act and applicable provisions of Articles of Association of the Company, Mr. Pawan Kumar Modi, Joint Managing Director retires by rotation and is eligible for re-appointment. The Board recommends his re-appointment as Director of the Company.

AUDITORS & AUDITORS' REPORT

A. Statutory Auditors

M/s. N. R. & Company, Chartered Accountants, (Firm Registration No. : 015095C) were appointed as statutory auditors of the Company from the conclusion of the 31st Annual General Meeting (AGM) of the Company held on September 26, 2017 till the conclusion of the Annual General Meeting to be held in the year 2022, subject to ratification of their appointment at every Annual General Meeting.



Since, the requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide The Companies (Amendment) Act, 2017 (No. 1 of 2018) read with notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi, no resolution is proposed for ratification of appointment of Statutory Auditors of the Company, who were appointed at the Annual General Meeting held on 26th September, 2017.

B. Secretarial Auditors

M/s. Deepak Bansal & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for financial year 2017-18. The Secretarial Audit Report is annexed to this Report as **Annexure II** and forms part of the Annual Report.

C. Cost Auditors

In terms of provision of section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Rules, 2014, Company was not required to maintain cost records for the financial year 2017-18.

D. Internal Auditors

M/s. B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), were Internal Auditors of the Company for the financial year 2017-18. Your Company has appointed M/s. B.R.Maheswari & Co., Chartered Accountants, as Internal Auditors of the Company for the financial year 2018-19.

EXPLANATIONS OR COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS:

a) By Statutory Auditors :

There are no qualifications made by the Auditors in their Report which requires any explanation from the Board of Directors of the Company. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

b) By Secretarial Auditors :

There were no comments in the Secretarial Auditors Report which requires any explanation from the Board of Directors of the Company.

FRAUD REPORTING

Neither the Statutory Auditors nor the Secretarial Auditors have brought to the notice of the Audit Committee or the Board of Directors or the Central Government the occurrence or brewing of any fraud in the Company.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Your Company has adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which, inter alia, prohibits purchase or sale of securities of the Company by Directors, employees and other connected persons while in possession of unpublished price sensitive information in relation to the Company.

AUDIT COMMITTEE

The Audit Committee is constituted under compliance of provision of Section 177 of the Companies Act, 2013. The Broad terms of reference and power of Audit Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Audit Committee, inter-alia, includes following:

- a) Reviewing the financial reporting process which includes reviewing the quarterly, half yearly, annual financial results and auditors report thereon, director’s responsibility statement.
- b) Reviewing changes, if any, in accounting policies and practices and ensures compliance with legal and statutory requirements and integrity of the Company’s financial statements with proper disclosures of related party transactions.
- c) Recommendation for appointment, remuneration and terms of appointment of auditors and approval for their payments and also reviewing and monitoring their independence and performance, and effectiveness of audit process.
- d) Evaluation of internal control systems and its effectiveness and reviewing its adequacy.
- e) Reviewing internal audit and discussion with the internal auditors of any significant findings.
- f) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- g) Review Whistle Blower mechanism and its effectiveness.
- h) Evaluating inter-corporate loans and investments and valuation of assets of the Company and ensuring effective risk management systems.

During the financial year 2017-18, the Audit Committee comprises of 3 Non-executive Directors viz. Shri Pankaj Agarwal and Smt. Abhilasha Goenka, Independent Directors and Shri Vasu Modi, Non-independent Director. Mr. Pankaj Agarwal is the Chairman of the Audit Committee. The Members of the Audit Committee possess adequate knowledge of Accounts, Audit, Finance, etc. The Compliance Officer of the Company acts as the Secretary to the Audit Committee.

Four meetings of the Audit Committee were held during the financial year 2017-18, on 30.05.2017, 31.08.2017, 13.12.2017, and 14.02.2018. The constitution of the Committee as at 31.03.2018 and the attendance of each Member are as given below:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1	Shri Pankaj Agarwal	Non-Executive Independent	4
2	Shri Vasu Modi	Non-Executive Non-Independent	4
3	Smt. Abhilasha Goenka	Non-Executive Independent	4

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted under compliance of provision of Section 178 of the Companies Act, 2013. The Broad terms of reference and power of Nomination and Remuneration Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Nomination and Remuneration Committee, inter-alia, includes following:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b) Formulation of the criteria for evaluation of performance of independent directors and the board of directors;
- c) devising a policy on diversity of board of directors;
- d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

During the financial year 2017-18, the Nomination and Remuneration Committee of the Board comprises of 3 Non-executive Directors viz. Shri Pankaj Agarwal and Smt. Abhilasha Goenka, Independent Directors and Shri Vasu Modi, Non-independent Director. Mr. Pankaj Agarwal is the Chairman of the Committee. The Compliance Officer acts as the Secretary to the Nomination and Remuneration Committee.

One meeting of the Nomination and Remuneration Committee were held during the financial year 2017-18 on 30.05.2017. The attendance of each Members of the Committee is as given below:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1	Shri Pankaj Agarwal	Non-Executive Independent	1
2	Shri Vasu Modi	Non-Executive Non-Independent	1
3	Smt. Abhilasha Goenka	Non-Executive Independent	1

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted under compliance of provision of Section 178 of the Companies Act, 2013. The Broad terms of reference and power of Stakeholders' Relationship Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Stakeholders Relationship Committee, inter-alia, is to resolve the grievances of the security holders of the Company including complaints related to transfer and transmission of shares, dematerialization / rematerialisation of shares, transposition of names, consolidation of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends, if any, etc.

The Stakeholders Relationship Committee, comprised of 3 directors as its Member viz. Shri Pankaj Agarwal and Smt. Abhilasha Goenka, Independent Directors and Shri Vasu Modi, Non-independent Director. Mr. Pankaj Agarwal is the Chairman of the Committee. The Compliance Officer acts as the Secretary to the Stakeholders Relationship Committee.

During the year Committee met four times on 30.05.2017, 31.08.2017, 13.12.2017, and 14.02.2018 and the attendance of the Members at the meeting was as follows:

Name of the Members	Status	No. of meetings attended
Shri Pankaj Agarwal	Chairman	4
Shri Vasu Modi	Member	4
Smt. Abhilasha Goenka	Member	4

The Board has designated Ms. Vandana Gupta, Company Secretary of the Company as Compliance Officer of the Company.

No. of shareholders' complaints received upto 31st March, 2018	: Nil
No. of complaints not solved to the satisfaction of the shareholders	: Nil
No. of pending complaints	: Nil

INTERNAL FINANCIAL CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Board.



The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee and the Board.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments which can affect the financial position of the company between the end of the period under review and date of this report.

RISK MANAGEMENT COMMITTEE

In terms of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance under regulations 21 is not applicable to the Company as paid-up share capital of the Company is less than Rs. 10 crore and net-worth of the Company is less than Rs. 25 crore, as on the financial year ended on 31st March, 2018, hence Risk Management Committee has not been constituted.

However, the Board of Directors of your Company has, on recommendation of the Audit Committee framed and adopted a policy on Risk Management of the Company. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Associate Company or Joint Venture Company. The Company is not a Subsidiary Company of any other Company.

PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTY

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year your Company has not entered into any material transaction as mentioned in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the note no. 26 to the Financial Statements.

PARTICULARS OF LOAN, GUARANTEES, SECURITIES AND INVESTMENTS

The Company has not given any loan, guarantee or provided any security under Section 186 of the Companies Act, 2013. Disclosure on details of investments made during the financial years which are covered under provisions of section 186 of the Companies Act, 2013, have been made in the note no. 30 to the Financial Statements.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**WHISTLE BLOWER/VIGIL MECHANISM**

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behavior and living Corporate Values. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company.

FORMAL EVALUATION OF BOARD, COMMITTEES & DIRECTORS' PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has through mutual discussions carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee ("NRC") evaluated the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

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

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo for the year ended 31st March, 2018 is annexed to this report as **Annexure III** and forms part of this report.

CORPORATE GOVERNANCE

In terms of provision of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the Corporate Governance provisions as specified under regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to the Company as paid-up share capital of the Company is less than Rs. 10 crore and net-worth of the Company is less than Rs. 25 crore, as on the financial year ended on 31st March, 2018. However, in view of provision of regulation 15(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has made compliances with the applicable provisions under the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of regulation 34(2)(e) and para B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Management Discussion & Analysis Report is annexed to this report as **Annexure IV** and forms part of this Annual Report.

PARTICULARS OF EMPLOYEES

The information required under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required as there was no employee on the payroll of the Company receiving remuneration in excess of limit prescribed under the said rules.



NOMINATION & REMUNERATION POLICY

The broad terms of reference of the Nomination and Remuneration Committee (“NRC”) of the Company are as under :

- a) To identify suitable persons, interview them, if necessary, and recommend them as suitable candidates to fill up vacancies on the Board or augment the Board and Senior Management.
- b) To develop a policy to ensure the optimum composition of the Board of Directors ensuring a mix of knowledge, experience and expertise from diversified fields of knowledge i.e. Policy on Board Diversity. The Policy also intends to add professionalism and objectivity in the process of deciding Board membership.
- c) To lay down criteria for the evaluation of the Board.
- d) To formulate a criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy thereon.
- e) To formulate criteria for evaluation of Directors.

The company has adopted a Nomination and Remuneration Policy as recommended by “NRC” and the objective of Nomination and Remuneration Policy is to ensure rationale and objectivity in the remuneration of the Directors, Senior Management & employees of the Company. The Policy also intends to bring in a pragmatic methodology in screening of candidates who may be recommended to the position of Directors and to establish effective evaluation criteria to evaluate the performance of every Director and the overall Board of the Company.

The Policy also serves as a guiding principle to ensure good Corporate Governance as well as to provide sustainability to the Board of Directors of the Company

DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTOR’S & KEY MANAGERIAL PERSONNEL ETC.

In terms of provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the ratio of the remuneration of each director to the median employee’s remuneration and such other details as prescribed therein is annexed to this report as **Annexure V** and forms part of this Annual Report.

During the financial year 2017-18, the company did not pay any remuneration to the Managing Director and other directors of the company.

CORPORATE SOCIAL RESPONSIBILITIES

The provision of section 135 of the Companies Act, 2013 is not applicable on the Company as your Company did not meet any of the applicability criteria as specified under Companies (Corporate Social Responsibility Policy) Rules, 2014.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE, (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your company has Internal Complaints Committee in place and did not come across any complaint by any employee during the year under review relating to the sexual harassment.

GREEN INITIATIVE

As a responsible corporate citizen, the Company welcomes and supports the ‘Green Initiative’ taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participants(DPs)/Company/Registrars & Share Transfer Agents.



Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in DEMAT form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with Skyline Financial Services Pvt. Ltd., by sending a letter duly signed by the first/sole holder quoting details of Folio Number.

INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors, secretarial auditors and external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

SECRETARIAL STANDARDS

Your Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors in respect of the Audited Annual Accounts for the year ended 31st March, 2018, to the best of their knowledge and ability, hereby state that :

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

APPRECIATION & ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation for the co-operation and assistance received from the Central Government, the State Government, the Financial Institutions, Banks as well as the Shareholders during the year under review. Your Directors also with the place on record their appreciation of the devoted and dedicated service rendered by all the employees of your Company.

For and behalf of the Board of Directors
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

Ashok Kumar Modi

Chairman and Managing Director
DIN : 00051647

Place : New Delhi
Date : 13.08.2018



Annexure I

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L74899DL1987PLC026617
2.	Registration Date	08/01/1987
3.	Name of the Company	National General Industries Limited
4.	Category/Sub-category of the Company	Company limited by shares Indian Non-Government Company
5.	Address of the Registered office & contact details	3rd Floor, Surya Plaza, K-185/1, Sarai Juelna, New Friends Colony, New Delhi - 110025 Tel. No- 011-26829517, 19 Email ID : cs@modisteel.net Website : www.modisteel.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent.	Skyline Financial Services Pvt. Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020 Tel.: 011-26812682, 83 Fax : 011-26812682 Email: admin@skylinerta.com Website : www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 percent or more of the total turnover of the Company shall be stated:

S.No.	Name and Description of Main Product / Service	NIC Code of the Product / Services	% of total turnover of the Company
1.	Bars and Rods of Iron or Non-Alloy Steel	7214	100%

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

As on 31st March, 2018, there is no Holding, Subsidiary and Associate Company of the Company.



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	DEMAT	Physical	Total	% of Total Share	DEMAT	Physical	Total	% of Total Share	
A. Promoters (incl. Promoter Group)									
(1) Indian									
a) Individuals / HUF	445465	1304	446769	8.08	445465	1304	446769	8.08	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	876967	-	876967	15.86	876967	-	876967	15.86	-
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any Other (Director / Promoter & their relative & friends)	2305166	-	2305166	41.68	2305166	-	2305166	41.68	-
Sub-Total (A) (1):	3627598	1304	3628902	65.62	3627598	1304	3628902	65.62	-
(2) Foreign									
a) NRIs –Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A) (1)+(A)(2)	3627598	1304	3628902	65.62	3627598	1304	3628902	65.62	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Cap. Fund	-	-	-	-	-	-	-	-	-
f) Insurance Co.	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2000	508800	510800	9.24	2100	508800	510900	9.24	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12810	960390	973300	17.60	14110	958990	973100	17.60	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	24500	392257	416757	7.54	24600	392257	416857	7.54	-
c) Others (NRI)	-	500	500	0.01	-	500	500	0.01	-
Sub-total (B) (2):	39410	1861947	1901357	34.38	40810	1860547	1901357	34.38	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	39410	1861947	1901357	34.38	40810	1860547	1901357	34.38	-
C. Shares held by Custodians for GDR/ADR	-	-	-	-	-	-	-	-	-
TOTAL (A)+(B)+(C)	3667008	1863251	5530259	100.00	3668408	1861851	5530259	100.00	-



ii) Shareholding of Promoters

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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.	Ashok Kumar Modi	2,71,770	4.91	-	2,71,770	4.91	-	-
2.	Pawan Kumar Modi	2,71,770	4.91	-	2,71,770	4.91	-	-
3.	Vasu Modi	3,59,745	6.51	-	3,59,745	6.51	-	-
4.	Madhur Modi	3,68,000	6.65	-	3,68,000	6.65	-	-
5.	Manhar Modi	4,12,798	7.46	-	4,12,798	7.46	-	-
6.	Shakuntala Modi	78,810	1.43	-	78,810	1.43	-	-
7.	Sangeeta Modi	2,70,976	4.90	-	2,70,976	4.90	-	-
8.	Nandini Modi	2,70,977	4.90	-	2,70,977	4.90	-	-
9.	Shivani Modi	320	0.01	-	320	0.01	-	-
10.	J.P.Modi & Sons - HUF	64,098	1.16	-	64,098	1.16	-	-
11.	Ashok K. Modi – HUF	1,83,253	3.31	-	1,83,253	3.31	-	-
12.	Pawan K. Modi – HUF	1,98,114	3.58	-	1,98,114	3.58	-	-
13.	Sharda Daga	16	0.00	-	16	0.00	-	-
14.	Mahendra Jain	16	0.00	-	16	0.00	-	-
15.	Indra Prakash Wahi	80	0.00	-	80	0.00	-	-
16.	Saroj Wahi	312	0.01	-	312	0.01	-	-
17.	Anil Wahi	216	0.00	-	216	0.00	-	-
18.	Manoj Diddee	176	0.00	-	176	0.00	-	-
19.	Saroj Diddee	200	0.00	-	200	0.00	-	-
20.	Usha Bharat	288	0.01	-	288	0.01	-	-
21.	Modi Power Pvt. Ltd.	4,99,900	9.04	-	4,99,900	9.04	-	-
22.	Modi Metal & Allied Industries Pvt. Ltd.	1,37,067	2.48	-	1,37,067	2.48	-	-
23.	Pekon Properties & Enclave Pvt. Ltd.	2,40,000	4.34	-	2,40,000	4.34	-	-
	TOTAL	36,19,002	65.62	-	36,28,902	65.62	-	-

iii) Change in Promoters' Shareholding

There is no change in shareholding of Promoter Group.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors and Promoter)

S. No.	Name of Top 10 Shareholders	Shareholding at the beginning of the year*		Cumulative Shareholding during the year*	
		No. of shares	% of total shares of Company	No. of shares	% of total shares of Company
1.	Mahan Syntex Pvt. Ltd.	247300	4.47	247300	4.47
2.	Sarla Credit & Securities Ltd.	151300	2.74	151300	2.74
3.	Yashman Marcantiles P. Ltd.	100000	1.81	100000	1.81



4.	Atul Bharat	43157	0.78	43157	0.78
5.	Vikas Mittal	41500	0.75	41500	0.75
6.	Puneet Mittal	41000	0.74	41000	0.74
7.	Amit Bharat	41000	0.74	41000	0.74
8.	Prithi Pal Singh	39800	0.72	39800	0.72
9.	Lov Kumar	37500	0.68	37500	0.68
10.	Deepak Bhargava	24500	0.44	24500	0.44

* There is no change in shareholding of top 10 shareholders during the year.

v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year*		Cumulative Shareholding during the year*	
		No. of shares	% of total shares of Company	No. of shares	% of total shares of Company
1.	Ashok Kumar Modi	2,71,770	4.91	2,71,770	4.91
2.	Pawan Kumar Modi	2,71,770	4.91	2,71,770	4.91
3.	Vasu Modi	3,59,745	6.51	3,59,745	6.51

* There is no change in shareholding of Directors and KMP during the year.

V. INDEBTEDNESS

	Secured Loan excl. Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	2,13,00,304/-	66,642/-	-	2,13,00,304/-
(ii) Interest due but not paid	-	-	-	66,642/-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,13,00,304/-	66,642/-	-	2,13,66,946/-
Change in indebtedness during the financial year				
- Addition	4,62,572		-	4,62,572/-
- Reduction		66,642/-	-	(66,642/-)
Net Change	4,62,572	(66,642/-)	-	3,95,930/-
Indebtedness at the end of the financial year				
(i) Principal Amount	2,17,62,876/-	---	-	2,17,62,876/-
(ii) Interest due but not paid	-	---	-	--
(iii) Interest accrued but not due	-	-	-	--
Total (i+ii+iii)	2,17,62,876/-	-	-	2,17,62,876/-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER- NIL

B. REMUNERATION TO OTHER DIRECTORS – NIL



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

Sl. No.	Particulars of Remuneration	Amount (in Rs.)	
		Key Managerial Personnel	
		Mr. Vandana Gupta (Company Secretary)	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,50,000	1,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	Others, specify...	-	-
5	Others, please specify	-	-
	Total	1,50,000	1,50,000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL

For and behalf of the Board of Directors
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

Ashok Kumar Modi

Chairman and Managing Director
DIN : 00051647

Place : New Delhi
Date : 13.08.2018



Annexure II

**Secretarial Audit Report
FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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

To,
The Members,
National General Industries Limited (CIN : L74899DL1987PLC026617)
3rd Floor, Surya Plaza,
K-185/1, Sarai Julena,
New Friends Colony,
New Delhi – 110025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National General Industries Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Audit Period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 were not applicable to the Company during the Audit Period;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 were not applicable to the Company during the Audit Period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable to the Company during the Audit Period;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were not applicable to the Company during the Audit Period; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable to the Company during the Audit Period;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws and rules made thereunder, as applicable specifically to the Company.

- 1) Air (Prevention and Control of Pollution) Act, 1981;
- 2) Water (Prevention and Control of Pollution) Act, 1974;
- 3) Environment Protection Act, 1986;
- 4) Factories Act, 1948 and allied State Laws.

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

- (i) Secretarial Standards SS-1 and SS-2 issued and notified by The Institute of Company Secretaries of India;
- (ii) Listing Agreement entered into by the Company with BSE Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above.

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company had no significant events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Deepak Bansal & Associates
Company Secretaries**

Place : New Delhi
Dated : 13.08.2018

Sd/-
(Deepak Bansal)
Proprietor
FCS : 3736
C.P. No. : 7433



This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

Annexure A

To,
The Members
National General Industries Limited
(CIN : L74899DL1987PLC026617)
3rd Floor, Surya Plaza,
K-185/1, Sarai Julena,
New Friends Colony,
New Delhi – 110025

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

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

**For Deepak Bansal & Associates
Company Secretaries**

Place : New Delhi
Dated : 13.08.2018

Sd/-
(Deepak Bansal)
Proprietor
FCS : 3736
C.P. No. : 7433



Annexure III

Conservation of Energy and Technology Absorption

A. Conservation of Energy**(i) The steps taken or impact on conservation of energy**

During the year under review, wherever possible, energy conservation measures have been taken.

(ii) The steps taken for utilizing alternate sources of energy

During the year under review, the Company is using furnace oil for the steel manufacturing activities of the Company and no steps were taken for utilizing alternate source of energy.

(iii) Capital Investment on energy conservation equipment

During the year under review, no capital investment was made on energy conservation equipment. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

B. Technology Absorption**(i) Efforts made for technology absorption**

The Company is using latest techniques for production. Efforts are being made to make the maximum use of the available infrastructure, at the same time innovating new techniques to bring about efficiency as well as economy in different areas. Employees are given appropriate training of and on the job, to enable them to achieve the planned performance.

(ii) Benefit derived

Through all these efforts benefits derived are better utilization of the available resources, product improvement and development, cost reduction, better overall efficiency on one side and clean environment and safety of employees on the other.

(iii) Expenditure on Research & Development, if any

During the year under review, no expense was incurred by the Company on research and development.

(iv) Details of Technologies

The Company is using latest techniques for production.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange Earnings and Outgo during the year are as under:

Particulars	As on 31 st March, 2018	As on 31 st March, 2017
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Rs. 3,63,098/-	Rs. 6,49,959/-

Annexure IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD LOOKING STATEMENT

This report contains forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ or other words of similar meaning. All statements that address expectation of projections about the future, including but not limited to statements about the Company’s strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company’s actual results, performance or achievements could, thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

OVERVIEW OF FY 2016-17

National General Industries Limited (‘The Company’) is engaged in the production and selling of Steel. The Company has manufacturing facilities at Ghaziabad, Uttar Pradesh and Bhivadi, Rajasthan. During the year under review the Company continues to be engaged in the handling services business for steel product in the State of Punjab.

GLOBAL ECONOMY

According to the International Monetary Fund (IMF), the global economy is on the road to recovery and grew by 3.8% in the year 2017, a 0.6 percentage point increase over the year 2016. This is the highest rate of global GDP growth after the year 2011. The growth happened owing to an increase in manufacturing activity, private consumption, investments and global trade. The growth was broad based, with growth increasing in more than half of the world’s economies aided by benign global financing conditions, revival in investment sentiment, accommodative monetary policies and higher commodity prices. The growth was higher as compared to the initial estimates with upside surprises in the second half of 2017 in advanced as well as emerging and developing countries. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 vis-à-vis previous year.

The advanced economies performed better than expected with a 0.6% growth in the year 2017 as compared to the previous year. There was stronger gross fixed capital formation and an acceleration in stock building which contributed to the pickup in investment, with accommodative monetary policy, stronger balance sheets, and an improved outlook helping release pent-up demand for capital goods.

On the other hand, emerging economies saw an upswing by 0.4 percentage point, primarily led by private consumption. In economies like India and China, resurgent exports too facilitated growth. The commodity exporting countries were largely benefitted by the global economic upswing during the year 2017, owing to firming up of prices of commodities. After two years of uninspiring performance, global trade also picked up pace; and its impact was particularly pronounced in emerging markets. This happened owing to an improvement in investment growth.

In terms of commodities, energy prices indices grew by 24% in the year 2017 (y-o-y) while the non-energy indices grew by 6%. The metal price indices grew by 24%. Accelerated global growth lifted the demand for commodities while a number of commodities faced supply side contractions. The global recovery offers a window of opportunity to strengthen policies and reforms that sustain the current upswing and raise medium-term growth for the benefit of all countries. According to the IMF, such policies should focus on reinforcing the potential for higher and more inclusive growth, building buffers to deal more effectively with future economic headwinds and fostering international cooperation.

The year 2017 saw an improvement in global steel consumption, which grew 4.7% to 1.59 billion tonnes in the year, after a subdued growth of 1% in 2016. A low base-effect of 2016, along with improved steel consumption in China and investment-led recovery in advanced economies were the key factors driving this momentum. The government's stimulus measures and momentum in construction activities fuelled steel demand in China. Consumption in Europe (other than EU) too gathered pace in the year and grew 2.5% with other countries like US with 6.4%, Brazil 5.3% Iran 4.5% follow the growth trajectory of rising global steel demand.

Global crude steel production grew by 5.3% or 63 million tonnes in 2017 to 1,691.2 million tonnes, as most economies registered good growth in steel production. Annual production grew between 4% and 6% for major economies of China, India, European Union and USA, among others. Turkey, South America and Brazil witnessed the highest growth in steel production at 13.1%, 8.7% and 9.9%, respectively. China trimmed its capacities by eliminating Basic Oxygen Steelmaking (BOF) – Electric Arc Furnace (EAF) of 55 million tonnes in 2017. The world's largest steel producing country also closed 140 million tonnes of inefficient induction furnace capacity. These initiatives uplifted market sentiments and bolstered pricing power and profitability of most steel producers in the World. Overall, steel exports from China fell by 30% to 75 million tonnes in the year.

Global steel prices remained buoyant in 2017 due to: a) falling exports from China as it continues to reduce excess capacities; b) firm iron ore prices; and c) improving demand from China following the upswing in the infrastructure and construction sectors. The global capacity utilisation ratio stood at 69.5% in December 2017 — up 1.8 percentage points, compared to December 2016 level. In the preceding couple of months, trade actions across economies aggravated to arrest imports, threatening the possibility of trade diversion.

INDIAN ECONOMY

After a brief period that was dedicated to introducing economic reforms that would further formalise the economy and boost ease of doing business, India has achieved a growth of 6.7% in FY18 with a 7.1% growth in Q-4'18. India has bounced back as the fastest growing economy in the world during the third quarter for FY18. The investment cycle exhibited a growth of 7.6% in FY18 and 14.4% in the Q-4'18. The FY18 is likely to see an improved growth of 7.5% due to transformative reforms undertaken by the Government.

India's economic fundamentals continued to improve during the year. The Index of Industrial Production (IIP) touched 4.3% during the FY18 after a robust growth of 6.2% in the Q-4'18, which was 1.9% in Q-1'18. Inflation figures are also largely in control, with the Consumer Price Inflation reducing to 3.6% in FY18 from a level of 4.5% in FY17, keeping the food prices under control. Through the year, India's foreign exchange reserves has also increased to more than US\$420 billion. The eight key sectors rose to 3.4% year-on-year in FY18, with cement, coal and electricity registering a growth of 13%, 9% and 6% respectively.

The Government of India has put in place multiple enablers to bolster the country's consumption demand. Higher spending on social schemes such as NREGA, continued thrust on rural infrastructure projects, raising of minimum support prices, implementation of 7th Pay Commission pay hikes across states and One Rank, One Pension scheme are also likely to lead to robust disposable income leading to higher spend and consumption.

The major driver of India's consumption economy is the country's large population of youth (more than half of the population is below the age of 35). Two consecutive years of favourable monsoon, addition of young working population and rising urbanisation are other major growth drivers. The 2018-19 Union Budget, has emphasised on India's infrastructural requirements and the allocation on roads, railways and rural infrastructure has been significant. The Budget also focussed considerably on health and education sectors, which are instrumental in developing a sustainable economy and society.

India's steel production grew 4.5% to its highest ever level of 102 million tonnes in FY18. The Government of India has been proactive in addressing the issues faced by domestic steel makers. It has taken major steps to stop unfair trade and to safeguard the interests of domestic players. This has been accompanied by recovery in construction activity and shut down of excess capacities in China. China has phased out capacities to the tune of 115 million tonnes in the past two years; and is gearing up for another production cut of 30 million tonnes in 2018. Leading steel makers in India are well poised to benefit from this development.

Riding high on an all-round improvement in the growth of key sectors, namely automobiles, infrastructure, and capital goods, among others, India's steel demand grew at a high rate of 7.9% to 91 million tonnes in FY18. This pace may accelerate further as domestic steel demand growth is pegged at 8.3% to 98.2 million tonnes in the current fiscal year (Source: JPC). In FY18, India's per capita steel consumption grew 6.2% to 69 kg, while share of flats improved from 42% to 44%.

India's construction activity, particularly in highways, bridges and metro lines has bolstered the demand for long steel products in recent times. Given their size, long steel products are relatively difficult to ship and hence most contractors are sourcing them locally. Domestic steel prices have started trending northwards since November 2017, owing to a surge in global prices, healthy recovery in domestic demand, and a weaker rupee. The prices though still trail international prices and hence there is a scope for further uptick in prices.

Governmental measures such as the National Steel Policy and extension of anti-dumping duty on steel products, imposition of quality standards are key facilitators for the growth of domestic steel sector in India. Additionally, the Government has earmarked Rs. 14.3 lakh crores towards infrastructure spending, which will also enhance steel demand in the domestic market.

OUTLOOK

Global growth is on an upswing and is expected to reach 3.9% in 2018 supported by strong momentum, favourable market sentiment, accommodative financial conditions and the domestic and international effects of expansionary fiscal policies. The global GDP is expected to increase to \$88 trillion. Both advanced economies and emerging markets are expected to see a rise in growth figures in the near term before stabilisation in the medium-term.

This growth rate is the outcome of faster economic expansion in the Euro area, Japan, China and the US. Advanced economies are projected to grow at 2.5% in 2018 as compared to 2.3% growth in 2017 primarily driven by improving domestic demand and industrial activities, private investment, moderate inflation and focus on domestic manufacturing activities. In China, growth is projected to soften slightly from 6.9% in 2017 to 6.6% in 2018. Over the medium term, the Chinese economy is projected to continue rebalancing away from investment toward private consumption and from industry to services. Growth in emerging market and developing economies is expected to increase further from 4.8% in 2017 to 4.9% in 2018 due to strong economic performance. This augers well and reflects improved prospects for commodity exporters after three years of weak economic activity.

There is also a positive momentum in global trade and it is expected to moderately improve with nominal trade escalation by \$2.0 trillion to \$19.5 trillion.

During FY19, India is likely to record a robust GDP growth of 7.4% (Source: IMF). This growth will be driven by structural and wide ranging reforms such as the Goods and Services Tax (GST) to widen the indirect tax base, Insolvency and Bankruptcy Code to address asset quality of banks and formalisation and digitisation of the economy improving business ecosystem, thrust on infrastructure development, and a liberal FDI regime. Banking reforms through recapitalisation and the Insolvency and Bankruptcy Code are expected to resolve the stressed assets of overleveraged corporates and restore lending support to these sectors.

To make the growth broad based and inclusive, there is a clear budgetary and policy focus on rural development to construct 3.17 lakh km of road, 51 lakh houses, 1.88 crores toilets and provide electricity connections to 1.75 crores new households. Rural employment too, is expected to improve with MNREGA budget expanded by ` 7,000 crores to ` 55,000 crores Further, the latest IMD forecast predicts a normal monsoon in 2018. Since over 65% of the nation is employed in the agricultural sector, this would boost the consumer expenditure resulting in improved demand prospects.

The strengthening global economy is also likely to stimulate exports. The country's exports are expected to touch US\$350 billion during 2018-19. Pick up in capital expenditure done by private corporate sector will also provide the necessary impetus to India's GDP growth.

OPPORTUNITIES, THREATS AND RISKS

In the past few months, adoption of trade restrictive measures by different countries has intensified as government look to protect the interest of domestic metal makers. The US imposed a 25% duty on steel imports and a 10% tariff on aluminium imports, effective from 23 March 2018. China, too, implemented similar measures to reduce US imports. Given that steel exports represent a miniscule 2% to India's exports, such measures are unlikely to have significant impact on India. However India also may have to adopt similar measures to eliminate the imports of steel at unfair prices that would cause injury to domestic industry.

India should remove Steel from all Free Trade Agreements (FTAs) prevailing in global trade. Consequent to the concessional duty under the FTAs for Japan, Korea and ASEAN regions, there is a price disparity of 13.75%, equivalent to Rs. 6,500 per tonne or a price impact of 15% on domestic ex-mill prices. This disparity should be addressed by swift action from India.

During 2017-18, imports increased 5.4% to 8.4 million tonnes and displaced 17% of flat steel demand and 9% of total Indian steel demand. The share of defective steel imports in our country increased from 3% of total imports in 2016-17 to 5% of total imports in 2017-18. Rising imports despite prevalence of trade measures prove that these measures are completely ineffective. Increasing imports due to lack of monitoring the BIS quality standards is a threat to the high number of jobs created directly and indirectly by the Indian steel industry.

SEGMENT-WISE PERFORMANCE

A detailed note on the segment-wise performance is given under note no. 25 of the Financial Statement of the Company.

RISKS AND CONCERNS

Technology obsolescence is an inherent business risk in a fast changing world and speed of change and adaptability is crucial for survival of business. Though aggressive cost cutting and addition to the product mix to incorporate more value-added products are still the present strengths of the Company, the Company is taking utmost care to ensure very high quality of products.

INTERNAL CONTROL SYSTEM

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's policies. The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. The accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of internal controls across the various business, as well as compliance with laid down systems and policies are regularly monitored by your Company's internal audit process. The Audit Committee of Board, which met four times during the year, reviewed the financial disclosures.



FINANCIAL AND OPERATIONAL PERFORMANCE

The financial performance of the Company for the financial year ended on 31st March, 2018 and 31st March, 2017 are summarized below:-

(Amount in Rupees)

Particulars	For the year ended	
	31-Mar-18	31-Mar-17
INCOME:		
Revenue from operations	182,197,295	170,478,506
Other Income	2,796,172	3,895,805
	184,993,467	174,374,311
EXPENSES:		
Cost of materials consumed	139,602,092	121,854,035
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(1,082,565)	(747,008)
Employee benefit expense	13,551,615	8,751,447
Excise Duty Expense	3,473,912	12,655,640
Financial costs	1,646,665	1,912,215
Depreciation and amortization expense	4,720,289	5,345,742
Other expenses	14,875,567	17,141,508
	176,787,575	166,913,579
Profit before exceptional items and tax	8,205,892	7,460,731
Exceptional Items	-	-
PROFIT BEFORE TAX	8,205,892	7,460,731
TAX EXPENSES:		
Current tax	1,900,000	2,300,000
Current tax - Prior Year	-	(3,009,594)
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	(477,833)	115,207
Profit for the period from continuing operations	6,783,725	8,055,118
PROFIT AFTER TAX	6,783,725	8,055,118
Other Comprehensive Income/(Loss)		
(A) Items that will be reclassified to profit or loss	-	-
(B) Items that will not be reclassified to profit or loss	2,925,854	6,930,432
Remeasurement of post employment benefit obligation		
Income tax relating to this	(353,286)	2,141,504
Total Other Comprehensive Income/(loss) for the year	3,279,140	4,788,928
Total Comprehensive Income/(loss) for the year	10,062,865	12,844,046



INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2017 with a transition date of April 1, 2016. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

Ind AS is applicable to the Company from April 1, 2017. The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in Note 34 in the notes to accounts in the financial statement.

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2018 are as under:

- ⇒ Value of Sales and Services increased by 6.87% to Rs. 1821.97 lakhs.
- ⇒ PBDIT decreased by 0.99% to Rs. 145.73 lakhs.
- ⇒ PBT increased by 5.91% to Rs. 98.74 lakhs.
- ⇒ Net Profit increased by 9.99% to Rs. 82.06 lakhs.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

Industrial relations during the year under review were cordial and peaceful with all the employees on the payroll of the Company as at end of the financial year 2017-18. The management wishes to place on record, the excellent cooperation and contribution made by the employees, at all levels of the organization to the continued growth of the Company. There was constant focus on all round organizational development.

Considering human resources as most important resource, the major thrust was on recruiting highly qualified executives in various departments and also recruiting highly skilled workers to strengthen the production. Various training programs including visionary exercises were conducted for personal as well as professional development of the employees. The Company's industrial relations continued to be harmonious during the year under review.

For and behalf of the Board of Directors
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

Ashok Kumar Modi

Chairman and Managing Director

DIN : 00051647

Place : New Delhi
Date : 13.08.2018



Annexure V

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

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year cannot be ascertained as no remuneration was paid to any of the Directors of the company.
- ii) There was no percentage increase in the remuneration paid to Director, Chief Financial Officer and Company Secretary in the financial year.
- iii) There was approximately 8.65% increase in the median remuneration of employees in the financial year.
- iv) There were 62 (Sixty Two) permanent employees on the rolls of the Company.
- v) Since no managerial remuneration was paid toward, hence information with respect to average percentile increase made in the salaries of employees others than the managerial personnel is not available.

It is hereby affirmed that the remuneration during the year ended 31st March, 2018 is paid as per the Remuneration Policy of the Company.

For and behalf of the Board of Directors
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

Ashok Kumar Modi

Chairman and Managing Director

DIN : 00051647

Place : New Delhi
Date : 13.08.2018

**Independent Auditors' Report**

To,
The Members of
M/s NATIONAL GE-NERAL INDUSTRIES LTD.
New Delhi.

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s NATIONAL GENERAL INDUSTRIES LTD** (the Company). which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Change in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash flows and the Statement of Change in Equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Accounting Standards) Rule, 2015, 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 and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and Order issued under section 143(11) of the Act. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act, and issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Ind AS Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Change in Equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended on March 31, 2017 have been audited by the predecessor auditors, now being converted and prepared in accordance with Indian Account Standards ("Ind AS"). The report of the predecessor auditors on the comparative financial statement dated May 30, 2017 expressed unmodified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit 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 has no pending litigations in its financial statements.
 - ii) The Company did not have any long-term contract which may lead to any foreseeable loss.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For N R & Company
Chartered Accountants
FRN – 015095C
Sd/-
Naveen Sawhney
Partner
Mem. No. 073713

Place: New Delhi
Dated: 30.05.2018

ANNEXURE A TO THE AUDITORS' REPORT
(Referred to in our Report of even date)

The Annexure referred to in independent Auditor's report to the members of the Company on the financial statements for the year ended 31st March 2018, we report that:

- 1) (a) The Company has maintained proper records though to be updated, showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, the management has physically verified all the fixed assets during the year, in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company. We have been informed that no material discrepancies were noticed on such physical verification during the year.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) (a) The inventory has been physically verified during the year by the management in phased manner.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.
- 3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the order is not applicable.
- 4) 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.
- 5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- 6) In our opinion, Company is not required to maintain cost records under section 148 (1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014.
- 7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
(b) According to the information and explanations given to us, no amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.



- 8) Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of loan to any bank or government, debenture holder or any financial institutional borrowing during the year.
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. In our opinion and according to the information and explanations provided by the management, the Company has utilized the money raised by term loans for the purpose for which they were raised.
- 10) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) 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.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) 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.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For N R & Company
Chartered Accountants
FRN – 015095C

Sd/-

Place: New Delhi
Dated: 30.05.2018

Naveen Sawhney
Partner
Mem. No. 073713

ANNEXURE B TO THE AUDITORS' REPORT
(Referred to in our Report of even date)

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 National General Industries Ltd (“the Company”) as of 31 March 2018 in conjunction with our audit of the 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For N R & Company
Chartered Accountants
FRN – 015095C

Sd/-

Place: New Delhi
Dated: 30.05.2018

Naveen Sawhney
Partner
Mem. No. 073713



BALANCE SHEET AS AT 31st MARCH, 2018

(Amount in Rs)

Particulars	Note No	As at		
		31-Mar-18	31-Mar-17	1-Apr-16
(I) ASSETS				
Non-current assets				
Property, Plant and Equipment	3	117,442,119	120,723,934	125,771,424
Capital Work in Progress		-	-	-
Investment Properties		-	-	-
Intangible Assets		-	-	-
Financial assets				
(i) Investments	4	56,885,539	53,959,684	47,029,252
(ii) Loans		-	-	-
(iii) Other Financial Assets		-	-	-
Deferred tax assets(net)		-	-	-
Other non-current assets	5	2,480,051	2,144,467	2,292,717
Current assets				
Inventories	6	26,917,196	17,195,942	17,991,183
Financial Assets				
(i) Trade Receivables	7	26,953,081	28,506,327	32,817,616
(ii) Cash and Cash Equivalents	8	39,518	93,140	2,734,231
(iii) Bank balances other than cash and cash equivalents		-	-	-
(iv) loans		-	-	-
(v) Investments	4	37,607,610	30,822,011	24,839,141
(vi) Other Financial Assets		-	-	-
Current tax assets(net)		-	-	-
Other current assets	9	17,973,303	22,105,123	22,905,766
Total Assets		286,298,417	275,550,628	276,381,330
(II) EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	10	46,695,590	46,695,590	46,695,590
Other Equity	11	191,532,301	181,565,723	168,828,069
LIABILITIES				
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	12	696,505	820,845	1,439,541
(ii) Other financial liabilities		-	-	-
Provisions	13	716,315	463,679	389,501
Deferred Tax Liabilities (Net)	14	9,971,669	10,802,788	8,546,077
Other Non Current Liabilities		-	-	-
Current Liabilities				
Financial Liabilities				
(i) Borrowings	15	21,066,371	20,546,101	26,036,069
(ii) Trade Payables		6,732,869	5,053,327	4,855,386
(iii) Other Financial Liabilities		-	-	-
Provisions	13	3,924,852	3,963,763	3,682,840
Other Current Liabilities	16	3,061,945	3,338,812	6,677,381
Current Tax Liability(net)		1,900,000	2,300,000	9,230,876
Total Equity and Liabilities		286,298,416	275,550,628	276,381,330

Notes to Financial statement 1 to 33

As per our report of even date

For N. R. & Company

Chartered Accountants

FRN – 015095C

Sd/-

Naveen Sawhney

Partner

Membership NO.- 073713

Place: New Delhi

Date : 30/05/2018

For and on behalf of Board of Directors
NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Ashok Kumar Modi

Managing Director

DIN:00051647

Sd/-

Vasu Modi

Director

DIN:00051696

Sd/-

Vandana Gupta

Company Secretary

Mem. No. ACS24012



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

(Amount in Rs)

Particulars	Notes	For the year ended	
		31-Mar-18	31-Mar-17
INCOME:			
Revenue from operations	17	182,197,295	170,478,506
Other Income	18	2,796,172	3,895,805
		184,993,467	174,374,311
EXPENSES:			
Cost of materials consumed	19	139,602,092	121,854,035
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(1,082,565)	(747,008)
Employee benefit expense	21	13,551,615	8,751,447
Excise Duty Expense		3,473,912	12,655,640
Financial costs	22	1,646,665	1,912,215
Depreciation and amortization expense	3	4,720,289	5,345,742
Other expenses	23	14,875,567	17,141,508
		176,787,575	166,913,579
Profit before exceptional items and tax		8,205,892	7,460,731
Exceptional Items		-	-
PROFIT BEFORE TAX		8,205,892	7,460,731
TAX EXPENSES:			
Current tax		1,900,000	2,300,000
Current tax - Prior Year		-	(3,009,594)
MAT Credit		-	-
MAT Credit - Prior Year		-	-
Deferred tax		(477,833)	115,207
Profit for the period from continuing operations		6,783,725	8,055,118
Profit from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit from Discontinuing operations		-	-
PROFIT AFTER TAX		6,783,725	8,055,118
Other Comprehensive Income/(Loss)			
(A) Items that will be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss		2,925,854	6,930,432
Remeasurement of post employment benefit obligation			
Income tax relating to this		(353,286)	2,141,504
Total Other Comprehensive Income/(loss) for the year		3,279,140	4,788,928
Total Comprehensive Income/(loss) for the year		10,062,865	12,844,046
EARNING PER EQUITY SHARE			
(Nominal Value of Share Rs. 10 each)			
Basic and diluted	24	1.23	1.46

Notes to Financial statement 1 to 33
As per our report of even date

For N. R. & Company
Chartered Accountants
FRN – 015095C

Sd/-

Naveen Sawhney
Partner
Membership NO.– 073713

For and on behalf of Board of Directors
NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Ashok Kumar Modi
Managing Director
DIN : 00051647

Sd/-

Vasu Modi
Director
DIN:00051696

Sd/-

Vandana Gupta
Company Secretary
Mem. No. ACS24012

Place: New Delhi
Date : 30/05/2018

A. EQUITY SHARE CAPITAL

Particulars	Balance at the beginning of the reporting period i.e 31st March 2016	Changes in Equity share capital during the 2016-17	Balance at the end of the reporting period i.e 31st March 2017	Changes in Equity share capital during the 2017-18	Balance at the end of the reporting period i.e 31st March 2018
ISSUED AND SUBSCRIBED SHARES	55,302,590	-	55,302,590	-	55,302,590
LESS: CALLS IN AREARS	-8,607,000	-	-8,607,000	-	-8,607,000
PAID UP SHARES	46,695,590	-	46,695,590	-	46,695,590

B. OTHER EQUITY

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2017							
Balance at the beginning of the reporting period i.e 31st March 2016	24,764,460	14,235,000	1,555,754	96,000,000	10,060,108	22,212,747	168,828,069
Depreciation on Revalued Assets	-	-	-106,392	-	-	-	-106,392
Profit for the year	-	-	-	-	-	8,055,118	8,055,118
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	4,788,928	-	4,788,928
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from) Profit & loss	-	-	-	2,000,000	-	-2,000,000	-
Balance at the end of the reporting period i.e 31st March 2017	24,764,460	14,235,000	1,449,362	98,000,000	14,849,036	28,267,865	181,565,723

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2018							
Balance at the beginning of the reporting period i.e 31st March 2017	24,764,460	14,235,000	1,449,362	98,000,000	14,849,036	28,267,865	181,565,723
Depreciation on Revalued Assets	-	-	-96,288	-	-	-	-96,288
Profit for the year	-	-	-	-	-	6,783,725	6,783,725
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	3,279,140	-	3,279,140
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from) Profit & loss	-	-	-	2,000,000	-	-2,000,000	-
Balance at the end of the reporting period i.e 31st March 2018	24,764,460	14,235,000	1,353,074	100,000,000	18,128,177	33,051,590	191,532,301



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Amount in Rs)

Particulars	For the Year Ended	
	31-Mar-18	31-Mar-17
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	8,205,892	7,460,731
Adjustments for:		
Depreciation and amortisation expense	4,720,289	5,345,742
Exceptional Items	-	-
(Profit)/loss on sale of Assets	19,761	419,445
(Profit)/loss on sale of Shares / Mutual Fund	(523,756)	(987,706)
Interest & Finance Charges	1,646,665	1,708,987
Investment revalue through FVTPL	(2,080,407)	(1,745,163)
Operating Profit before Working Capital Changes	11,988,444	12,202,037
Adjustments for:		
Decrease/(Increase) in Inventories	(9,721,254)	795,241
Decrease/(Increase) in Receivables	1,553,246	3,808,043
Decrease/(Increase) in other current and non current assets	2,673,115	(313,499)
Increase/(Decrease) in Payables	1,679,542	197,941
Increase/(Decrease) in Other Current Liabilities	(276,867)	(3,538,751)
Increase/(Decrease) in Provision	213,725	355,101
Total Adjustment for working capital change	(3,878,493)	1,304,076
Cash generated from operations	8,109,951	13,506,113
Income Tax (paid) refund	(1,176,879)	(4,455,648)
Net Cash flow from Operating activities before extraordinary item	6,933,072	9,050,465
Proceeds from extraordinary items	-	-
Net Cash flow from Operating activities	6,933,072	9,050,465
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,565,523)	(2,449,048)
Sale of Fixed Assets	11,000	1,624,960
Purchase of Mutual Fund	(13,552,000)	(24,050,000)
Sale of Mutual Fund	9,370,563	20,800,000
Net Cash used in Investing activities	(5,735,960)	(4,074,088)

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

Particulars	(Amount in Rs)	
	For the Year Ended	
	31-Mar-18	31-Mar-17
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	-	-
Repayment of Long term Borrowings	(124,340)	(3,852,054)
Repayment of Short term Borrowings	-	(2,056,427)
Proceeds from Short term Borrowings	520,270	-
Interest paid	(1,646,665)	(1,708,987)
Net Cash used in financing activities	(1,250,735)	(7,617,468)
Net increase in cash & Cash Equivalents	(53,624)	(2,641,092)
Cash and Cash equivalents as at beginning	93,140	2,734,230
Cash and Cash equivalents as at end	39,518	93,140

Note: Cash Flow Statement is prepared using the indirect method, whereby profit before tax is adjusted for effect of transactions of a non cash nature and deferrals or accruals of past or future operating cash receipts of payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

As per our report of even date

For N. R. & Company
Chartered Accountants
FRN – 015095C

Sd/-

Naveen Sawhney
Partner
Membership NO.– 073713

For and on behalf of Board of Directors
NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Ashok Kumar Modi
Managing Director
DIN : 00051647

Sd/-

Vasu Modi
Director
DIN : 00051696

Sd/-

Place: New Delhi
Date : 30/05/2018

Vandana Gupta
Company Secretary
Mem. No. ACS24012

1. Corporate information

National General Industries Limited ('The Company') is engaged in the production and selling of Steel. The Company has manufacturing facilities at Ghaziabad, Uttar Pradesh and having a handling services business for steel product in the State of Punjab.

2. Basis of preparation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount

- a) Certain financial assets and liabilities

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP". These financial statements are the Company's first Ind AS standalone financial statements.

Company's financial statements are presented in Indian Rupees, which is also its functional currency. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies:-

(a) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of CENVAT Credit), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

(b) Depreciation/Amortization

Depreciation is provided on Straight Line Method as per rates computed based on useful life prescribed in schedule II of the Companies Act, 2013. Depreciation on appreciation upon Property, Plant and Equipment (PPE) is directly charged to Revaluation Reserve. No Amortization is being provided on leasehold land.

(c) Impairment

Property, Plant and Equipment (PPE) are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(d) Use of estimates

The preparation of financial statements in conformity with (INDAS) requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions.

(e) Leases

- (i) In respect of Operating leases, lease rent is expensed on Straight Line Basis with reference to the term of lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and except for lease rent pertaining to the period up to the date of commencement of commercial operations, Which is capitalized.
- (ii) Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit.
- (iii) In respect of finance leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as PPE with corresponding amount shown as the liabilities for the leased assets. The principal component in lease rental in respect of the above is adjusted against the liabilities for the lease assets and interest component is recognized as an expense in the year in which the same is incurred except in case of the assets used for capital projects where it is capitalized.

(f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current investments. Current and Non-Current investments are carried at fair value determined on an individual investment basis. Where Current investment are recognized at fair value its difference with cost is routed through profit and Loss a/c and Where Non-Current investment are recognized at fair value its difference with cost is routed through Other Comprehensive Income/(Loss).

(g) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(h) Inventories

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realizable value. Raw materials purchased are carried at cost. Store and spare parts are carried at cost. Cost has been determined by using the FIFO method.

(i) Revenue Recognition

- (i) Sale of goods: Revenue from sale of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer.
- (ii) Income from Services: Revenue from services is accounted for in accordance with the terms of contracts, as and when these services are rendered.
- (iii) Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iv) Dividend: Dividend Income is recognized when right to receive is established.

(j) Retirement and other benefits

- (i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to respective funds are due.
- (ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year.

(k) Tax Expenses:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Minimum Alternate Tax (MAT) payable for the year is charged to the statement of profit and loss as current tax. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period i.e. for the period for which MAT credit is allowed to be carried forward.

(l) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(m) Contingent liability

Contingent liability is not provided for in the accounts and is recognized by way of notes.

(n) Financial Instruments

(I) FINANCIAL ASSETS

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in ‘Other Comprehensive Income’.

D. Impairment of financial assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(II) FINANCIAL LIABILITIES

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(III) FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

a) Exemptions from retrospective application

(i) Business combination exemption

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2015 (the “Transition Date”), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

(ii) Share-based payment transactions

Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to options that vested prior to April 1, 2015.

(iii) Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

(iv) Decommissioning liabilities

The Company has elected to apply the transitional provision with respect to recognition of Decommissioning, Restoration and Similar Liabilities

3 PROPERTY, PLANT AND EQUIPMENT.

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK						
	As on 1-Apr-17		DURING THE YEAR ORIGINAL		As on 31-Mar-18		As on 1-Apr-17		DURING THE YEAR ORIGINAL		As on 31-Mar-18		As on 31-Mar-18		As on 31-Mar-18		As on 31-Mar-17		
	ORIGINAL	REVALUED	ADDITION	DELETION	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	
Land	73,367,000	7,160,180	-	-	73,367,000	7,160,180	-	-	-	-	-	-	73,367,000	7,160,180	73,367,000	7,160,180	-	-	
Furniture & Fixture	246,487	-	-	-	246,487	-	220,566	7,693	-	-	-	-	246,487	-	246,487	-	-	-	
Building	15,802,131	3,356,209	-	-	15,802,131	3,356,209	3,533,409	2,531,205	494,985	96,288	-	-	15,802,131	3,356,209	15,802,131	3,356,209	-	-	
Plant & Machinery	42,599,010	6,914,353	529,276	-	43,128,286	6,914,353	21,192,233	6,914,353	2,261,961	-	-	-	23,454,194	6,914,353	19,574,092	-	-	-	
Office Equipment	731,044	-	-	-	731,044	-	572,128	-	42,442	-	-	-	644,570	-	116,472	-	-	-	
Computer	659,969	-	47,398	-	707,367	-	634,427	-	22,103	-	-	-	656,530	-	50,837	-	-	-	
Vehicles	7,483,986	-	-	144,885	7,339,101	-	2,416,594	-	901,184	-	114,124	-	3,203,654	-	4,135,447	-	-	-	
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
F.A.Rolls	13,218,834	-	988,849	-	14,207,683	-	12,801,889	-	989,596	-	-	-	13,791,485	-	416,198	-	-	-	
Cycle	3,120	-	-	-	3,120	-	1,583	-	325	-	-	-	1,908	-	1,212	-	-	-	
TOTAL	154,111,582	17,430,742	1,565,523	144,885	155,532,220	17,430,742	41,372,829	9,445,558	4,720,289	96,288	114,124	45,978,994	9,541,846	109,553,223	7,888,896	112,738,751	7,985,184	-	
PREVIOUS YEAR					154,111,582	17,430,742						41,372,829	9,445,558	112,738,750	7,985,184				



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at		
	31-Mar-18	31-Mar-17	1-Apr-16
4 Investments			
(i) Non Current Investments			
Quoted equity instruments			
- Equity Share of Kay Power & Papers Ltd. 700 (P.Y. 700) equity shares of Rs. 10/- each.	34,370	27,370	22,050
Total Quoted Equity Instruments	34,370	27,370	22,050
Unquoted equity instruments			
- Equity Share of Modi Power Pvt. Ltd. 14,09,600 (P.Y. 14,09,600) Class 'A' Equity Share of Rs. 10/- each. 63,600 (P.Y. 63,600) Class 'B' Equity Share of Rs. 75/- each.	18,866,000	18,866,000	18,866,000
- Equity Share of Peacon Properties & Encalve Pvt. Ltd. 4,00,755 (P.Y. 4,00,755) Equity shares of Rs. 10/- each.	818,110	818,110	818,110
- Equity Share of Modi Metal & Allied Industries Pvt. Ltd. 3,23,580 (P.Y. 3,23,580) Equity shares of Rs. 10/- each.	4,510,705	4,510,705	4,510,705
- Equity Share of Southern Iron & Steel Co. Ltd. 2 (P.Y. 2) equity shares of Rs. 10/- each.	76	76	76
Total Unquoted Equity Instruments	24,194,891	24,194,891	24,194,891
Quoted Mutual Funds	Units		
	(Current Year)		
Franklin India Smaller Co. Fund-Gr.	107188.625	6,310,280	5,538,329
Franklin India Prima Plus-D. Gr.	5923.043	3,506,742	3,205,405
HDFC Equity Fund	38607.736	22,839,256	20,993,690
Total Quoted Mutual Funds		32,656,278	29,737,424
Total (i)		56,885,539	53,959,684
(ii) Current Investments			
	Units		
	(Current Year)		
Templeton India Ultra Short Bond Fd	1563518.394	37,607,610	30,822,011
Total (ii)		37,607,610	24,839,141
Total Investments (i) + (ii)		94,493,149	71,868,394



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at		
	31-Mar-18	31-Mar-17	1-Apr-16
5 Other non-current assets			
Security Deposit	2,480,051	2,144,467	2,292,717
	2,480,051	2,144,467	2,292,717
6 Inventories			
Raw Materials	15,264,123	6,130,610	8,123,387
Finished goods	9,298,748	7,910,256	7,499,571
Stock-in-Trade	-	136,152	136,152
Stores & Spares	1,641,541	1,641,541	1,641,541
Loose Tools	25,528	26,348	88,179
Others	687,256	1,351,035	502,353
	26,917,196	17,195,942	17,991,183
7 Trade receivables			
(Unsecured, Considered Good)	26,953,081	28,506,327	32,817,616
	26,953,081	28,506,327	32,817,616
8 Cash and cash equivalents			
Balances with Banks	(9,656)	35,195	2,587,215
Cash on hand	49,175	57,945	147,016
	39,518	93,140	2,734,231
9 Other non-current assets			
Balance with Statutory / Government Authorities	14,448,952	17,281,596	16,918,952
Prepaid Expenses	69,489	163,152	49,417
Advance to Suppliers & Others	200,612	264,648	102,669
Advance to Staff	111,040	97,572	91,432
TDS	1,176,879	1,179,159	1,891,938
Advance Tax	-	1,589,144	2,642,000
Income Tax Refundable	1,366,942	898,639	898,639
Conversion Charges Receivable-others	599,389	631,213	310,719
	17,973,303	22,105,123	22,905,766



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at		
	31-Mar-18	31-Mar-17	1-Apr-16
10 Share Capital			
AUTHORISED SHARES			
12,000,000 (P.Y. 12,000,000) Equity Shares of Rs.10/- each	120,000,000	120,000,000	120,000,000
ISSUED AND SUBSCRIBED SHARES			
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	55,302,590	55,302,590	55,302,590
	55,302,590	55,302,590	55,302,590
PAID UP SHARES			
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	55,302,590	55,302,590	55,302,590
Less: Call Money unpaid by other than Directors	8,607,000	8,607,000	8,607,000
1,147,600 (P.Y.1,147,600) Shares @ Rs. 7.50 each	46,695,590	46,695,590	46,695,590
a. Reconciliation of the Equity shares outstanding at the beginning and at the end of reporting period			
Outstanding at the beginning of the year			
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	5,530,259	5,530,259	5,530,259
Changes in Share capital during the year	-	-	-
Outstanding at the year end			
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	5,530,259	5,530,259	5,530,259

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs 10 per share. The holder of each fully paid equity share is entitled to one vote. Each share is entitled to equal dividend if any declared by the Company and approved by the Share holders of the Company.

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

c. Details of shareholders holding more than 5% shares in the company

Name	As at 31st March 2018		As at 31st March 2017	
	Nos.	%	No.	%
Modi Power Pvt. Ltd.	499,900	9.04	499,900	9.04
Vasu Modi	359,745	6.51	359,745	6.51
Manhar Modi	412,798	7.46	412,798	7.46
Madhur Modi	368,000	6.65	368,000	6.65



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at		
	31-Mar-18	31-Mar-17	1-Apr-16
11 Other Equity			
Statement of Change in Equity			
Reserves & Surplus			
Capital Reserve			
Balance as per the last financial statements	24,764,460	24,764,460	24,764,460
Closing Balance	24,764,460	24,764,460	24,764,460
Security Premium			
Balance as per the last financial statements	14,235,000	14,235,000	14,235,000
Closing Balance	14,235,000	14,235,000	14,235,000
Revaluation Reserve			
Balance as per the last financial statements	1,449,362	1,555,754	1,892,944
Less: Depreciation on Revalued Assets	96,288	106,392	337,190
Closing Balance	1,353,074	1,449,362	1,555,754
General Reserve			
Balance as per the last financial statements	98,000,000	96,000,000	91,000,000
Add: Amount transferred from surplus balance in the of Profit & Loss	2,000,000	2,000,000	5,000,000
Closing Balance	100,000,000	98,000,000	96,000,000
Other Comprehensive Income/Loss			
Balance as per the last financial statements	14,849,036	10,060,108	-
Add: Amount transferred from surplus balance in the of Profit & Loss	3,279,140	4,788,928	10,060,108
Closing Balance	18,128,177	14,849,036	10,060,108
Balance in Statement of Profit and Loss			
Balance as per the last financial statements	28,267,865	22,212,747	11,620,671
Profit for the year	6,783,725	8,055,118	15,592,076
	35,051,590	30,267,865	27,212,747
Less: Appropriations :			
Transfer to General Reserve	2,000,000	2,000,000	5,000,000
Total Appropriation	2,000,000	2,000,000	5,000,000
Surplus in the Statement of Profit and Loss	33,051,590	28,267,865	22,212,747
Total Other Equity	191,532,301	181,565,723	168,828,069
12 Borrowings			
Secured Borrowings			
Loan from HDFC Bank	820,819	1,439,541	2,258,420
Less: Current Maturity of Secured Long Term Borrowings	124,314	618,696	818,879
	696,505	820,845	1,439,541

Loan from HDFC Bank - Vehicle Loan of Rs. 24,00,000/- against hypothecation of Vehicle having repayment terms of 48 equated monthly instalments of Rs 63084 P.M. Loans are further secured by personal guarantee of Director of the Company.



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at		
	31-Mar-18	31-Mar-17	1-Apr-16
13 Provisions			
Non Current			
Provision for Gratuity	716,315	463,679	389,501
	716,315	463,679	389,501
Current			
Provision for Gratuity	797,728	1,094,993	814,070
Provision for Doubtful Debts	3,127,124	2,868,770	2,868,770
	3,924,852	3,963,763	3,682,840
14 Deferred tax liabilities (Net)			
Deferred Tax Liability			
On Fixed Assets	2,871,566	3,843,391	4,157,712
On Current Investments	1,203,093	800,865	261,610
On Non-Current Investments	6,286,876	6,640,162	4,498,658
Deferred Tax Asset			
On provision for Gratuity	389,866	481,630	371,903
Net Deferred Tax Liability	9,971,669	10,802,788	8,546,077
15 Borrowings			
Secured Borrowings			
Working Capital Loan from Bank	20,942,057	19,860,763	20,224,023
Term Loan from Bank	-	-	1,693,166
Current Maturity of Long Term Secured Borrowings	124,314	618,696	818,879
From Body Corporates	-	66,642	3,300,000
	21,066,371	20,546,101	26,036,069

Working Capital loans from State Bank of Patiala are secured by first charge on all current assets of company, both present & future, including stocks of raw materials, finished and semi-finished goods and book debts of the Company. These facilities are further secured by collateral security of land of the company situated at 9th Milestone, Ghaziabad. The managing director and director have given personnel guarantee to the bank for the facility. The working capital loan are repayable on demand.

16 Other current liabilities

Advance from Customers	151,991	282,536	77,740
Salary & Wages Payable	938,776	604,215	531,418
EPF Payable	21,917	29,182	23,970
Other Employee Benefit Liabilities	205,730	250,519	288,912
Other Tax Payable	102,744	435,336	456,611
Expenses Payable	1,640,789	1,737,026	5,298,732
	3,061,947	3,338,814	6,677,383

**NOTES TO FINANCIAL STATEMENTS**

(Amount in Rs)

PARTICULARS	For the year ended	
	31-Mar-18	31-Mar-17
17 Revenue from operations		
Sale of Finished Goods	118,294,310	112,401,603
Sale of Services-Conversion Charges	54,966,430	42,763,318
Other Operating Revenue	8,936,555	15,313,585
Revenue from Operations (Gross)	182,197,295	170,478,506
Details of Finished Goods sold		
Iron & Steel Bar	118,294,310	112,401,603
Details of Sale of Services		
Job Work charges on Re - rolling	54,966,430	42,763,318
Details of Other Operating Revenue		
Sale of By Product, viz. Scrap	1,122,050	1,708,065
Handling charges	7,814,505	13,605,520
	8,936,555	15,313,585
18 Other Income		
Interest Received	136,102	-
STCG on Current Investments	523,756	987,706
Unclaimed Creditors Written back	55,907	1,162,936
Investment revalue through FVTPL	2,080,407	1,745,163
	2,796,172	3,895,805



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended	
	31-Mar-18	31-Mar-17
19 Cost of Raw Material and Components Consumed		
Raw Material Consumed		
Opening Stock	6,130,610	8,123,387
Purchases	115,360,273	90,274,571
	121,490,883	98,397,958
Less: Inventory at the end of the year	15,264,123	6,130,610
	106,226,760	92,267,348
Details of raw material and components		
Raw material and components Consumed		
MS Ingot	106,226,760	92,267,348
	106,226,760	92,267,348
Details of closing inventory of raw material		
MS Ingot	14,914,126	5,780,613
Scrap	349,997	349,997
	15,264,123	6,130,610
Details of opening inventory of raw material		
MS Ingot	5,780,613	7,773,390
Scrap	349,997	349,997
	6,130,610	8,123,387
Furnace Oil Consumed		
Opening Stock	779,846	258,899
Add: Purchase/Tfd.during the year	9,302,085	16,772,864
	10,081,931	17,031,763
Less: Closing Stock	4,461	779,846
	10,077,470	16,251,917
Steam Coal Consumed		
Opening Stock	3,802	3,802
Add: Purchase/Tfd.during the year	11,002,838	-
	11,006,640	3,802
Less: Closing Stock	526,907	3,802
	10,479,733	-
Other Manufacturing Expenses		
Power Expenses	10,732,689	10,722,201
Engine Expenses	1,342,996	2,136,775
Weighing & Stalking	39,640	24,360
Consumable Store	702,805	451,434
	12,818,130	13,334,770
	139,602,092	121,854,035



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended	
	31-Mar-18	31-Mar-17
20 (Increase)/Decrease in Inventories		
Work-in-progress and Stock-in-Trade		
Inventories at the end of the year		
Finished goods	9,439,040	7,914,163
Traded goods	-	136,152
Waste	134,750	440,910
	9,573,790	8,491,225
Inventories at the opening of the year		
Finished goods	7,914,163	7,502,038
Traded goods	136,152	136,152
Waste	440,910	106,027
	8,491,225	7,744,217
Others	-	-
	8,491,225	7,744,217
(Increase)/Decrease in Inventories	(1,082,565)	(747,008)
Details of Inventories		
Finished Goods		
N.A.IRON & STEELS BAR	8,489,327	6,951,519
Ingots	38,628	38,628
Casting	508,896	508,896
Runner & Risser	411,213	411,213
	9,448,064	7,910,256
21 Employee Benefit Expenses		
Salaries & Wages	12,310,352	7,483,923
Bonus & Ex-Gratia	350,827	307,728
Employer's Cont.to P.F.	149,087	158,916
Employer's Cont.to E.S.I.	112,362	82,740
Gratuity	421,467	450,293
Staff Welfare	152,679	218,131
Leave encashment	54,841	49,716
	13,551,615	8,751,447
22 Financial costs		
Bank Interest	1,508,379	1,507,189
Other Borrowing Cost	-	201,798
Interest on Car Loan	138,286	203,228
	1,646,665	1,912,215



NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended	
	31-Mar-18	31-Mar-17
23 Other expenses		
Travelling & Conveyance Includ Foreign Travel) C. Y. 3,63,098/- (P.Y. 6,49,959/-)	706,424	875,923
Printing & Stationary	54,072	86,435
Postage & Telegram	52,134	2,142
Telephone Expenses	209,102	366,388
Electricity Expenses	770,129	868,324
Keyman Insurance	-	111,722
Auditor's Remuneration	430,460	409,450
Legal & Professional Charges	635,028	1,167,600
Filing Fees & Subscription	12,038	8,596
Listing & Custodial Fees	314,252	297,701
Rates & Taxes	470,565	185,877
Bank Charges	378,673	284,666
Insurance Charges	180,662	148,214
Rent	126,000	96,000
Vehicle Running & Maintenance	567,527	582,342
Security & Vigilance	1,649,793	1,639,850
Repair & maintenance - Building	24,533	126,291
Repair & maintenance - Plant & Machinery	4,223,834	2,733,557
Repair & maintenance - Others	406,004	193,021
Business promotion	410,361	354,406
Rebate, Discount & commission	1,202,568	952,313
Advertisement & Publicity	170,388	109,142
Provision for Doubful Debt	258,354	-
Computer Expenses	-	23,720
Freight Charges	183,065	2,273,902
Loading & Unloading Charges	1,145,313	1,276,563
Loss on sales of Fixed Assets	19,761	419,445
Prior Period Expense	-	55,643
Other Miscellaneous Expenses	274,526	1,492,276
	14,875,567	17,141,508
Payment to Auditor		
- Audit fee	375,000	360,000
- Limited Review	55,460	49,450
	430,460	409,450
24 Earning per Share		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for calculation of basic and diluted EPS (Rs.)	6,783,725	8,055,118
Weighted average number of equity shares in calculating basic and diluted EPS	5,530,259	5,530,259
Basic and diluted earning per share (Rs.)	1.23	1.46



25. Segment Information

Business Segments :

The Company operates in three segments i.e. manufacturing of steel, handling services of steel products and investing.

Geographical Segments:

The Company operates in India and all assets of the Company are located within India only and hence secondary segment by geographical region is not applicable for the company.

Segment Information

Primary Segments Reporting

(by Business Segments)

Segment Revenues, Results and Other Information								(Amounts in Rs.)	
Particulars	Steel Manufacturing		Investments & Others		Services		Total		
	2018	2017	2018	2017	2018	2017	2018	2017	
REVENUE									
Sales / Revenue	17,43,84,290	15,68,72,986	27,96,172	38,95,805	78,13,005	1,36,05,520	18,49,93,467	17,43,74,311	
Less: Inter Segment Sales	-	-	-	-	-	-	-	-	
Net Sales / Revenue	17,43,84,290	15,68,72,986	27,96,172	38,95,805	78,13,005	1,36,05,520	18,49,93,467	17,43,74,311	
Less: GST/Excise Duty	-	-	-	-	-	-	-	-	
Total Revenue	17,43,84,290	15,68,72,986	27,96,172	38,95,805	78,13,005	1,36,05,520	18,49,93,467	17,43,74,311	
SEGMENT RESULTS									
Operating Profit / (Loss) before interest & tax	60,70,923	28,39,054	(4,07,600)	(7,47,675)	41,89,235	72,81,567	98,52,558	93,72,946	
Less: Interest Expenses	-	-	-	-	-	-	16,46,665	19,12,215	
Profit/(Loss) from operating activity (Before tax)							82,05,893	74,60,731	
OTHER INFORMATION									
Segment Assets	16,07,67,921	15,32,71,532	7,63,22,881	7,34,20,236	2,87,54,262	2,46,09,791	26,58,45,064	25,13,01,559	
Segment Liabilities	107,80,373	88,37,861	120,54,013	142,97,982	7,28,809	5,36,452	2,35,63,195	2,36,72,295	
Capital Employed	14,99,87,548	14,44,33,671	6,42,68,867	5,91,22,254	2,80,25,453	2,40,73,339	24,22,81,869	22,76,29,264	
Capital Expenditure	15,65,523	24,27,048	-	-	-	22,000	15,65,523	24,49,048	
Depreciation/Amortization	37,35,073	43,41,656	8,81,846	9,00,830	1,03,370	1,03,256	47,20,289	53,45,742	
Other non-cash expenses	-	-	-	-	-	-	-	-	



26. Related Party Disclosures

Names of Related Parties

A. Parties under common control

Modi Power Pvt. Ltd.
Modi Metal & Allied Industries Pvt. Ltd.
J.P.Modi & Sons – HUF
A.K.Modi – HUF
P.K.Modi – HUF

B. Key Managerial personnel and their relatives

Mr. Ashok Kumar Modi	Managing Director
Mr. Pawan Kumar Modi	Jt. Managing Director
Mr. Vasu Modi	Director
Mr. Madhur Modi	Vice President
Mrs. Shakuntala Modi	Relative of Managing Director

Transactions with related parties during the year

(Amounts in Rs.)

Particulars	Key managerial personnel and their relatives		Parties under common control		Total	
	2018	2017	2018	2017	2018	2017
Rent Paid						
J.P.Modi & Sons HUF	-	-	42,000	42,000	42,000	42,000
Shakuntla Modi	84,000	54,000	-	-	84,000	54,000
Total	84,000	54,000	42,000	42,000	126,000	96,000

27. Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)

Particulars	March 31, 2018	March 31, 2017
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)	Nil	Nil

28. Contingent liabilities (not provided for) in respect of:

Particulars	March 31, 2018	March 31, 2017
Bank Guarantee in favour of Sales Tax Department	Nil	Nil
Bills discounted liability	Nil	Nil



29. There are no Micro, Small and Medium Enterprises to whom company owes dues which are outstanding for more than 45 days as on 31.03.2018. The information as required to be disclosed under MSMED Act, 2006, has been determined to the extent such parties has been identified on the basis of information available with the Company.

30. The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during financial year 2017-18.

31. Gratuity and other Post- employment benefit plans:

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. At the end of accounting year actuarial valuation is done as per the Projected unit credit method and any shortfall is further provided for the following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the Gratuity.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

Particulars	(Amounts in Rs.)	
	March 31, 2018	March 31, 2017
Current service cost	3,81,368	2,29,108
Interest cost on benefit obligation	1,14,718	96,286
Net actuarial (gain)/ loss recognized in the year	(74,619)	1,24,899
Past service cost	-	-
Net benefit expense	4,21,467	4,50,293

Balance Sheet

Details of Provision for Gratuity

Particulars	(Amounts in Rs.)	
	March 31, 2018	March 31, 2017
Defined benefit obligation	15,14,043	15,58,672
Fair value of plan assets	-	-
Surplus/(Deficit)	(15,14,043)	(15,58,672)
Less: Unrecognized Past service cost	-	-
Plan asset / (liability)	(15,14,043)	(15,58,672)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	(Amounts in Rs.)	
	March 31, 2018	March 31, 2017
Defined benefit obligation at the beginning of year	15,58,672	12,03,571
Current service cost	3,81,368	2,29,108
Interest cost	1,14,718	96,286
Actuarial (gain)/loss on obligation	(74,619)	1,24,899
Benefits paid	(4,66,096)	(95,192)
Defined benefit obligation as at the end of the year	15,14,043	15,58,672

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
	%	%
Discount rate	7.63	7.36
Increase in Compensation cost	5.50	5.50
Expected rate of return on plan assets	-	-
Employee turnover – Age Group		
Up to 30 years	3	3
31 – 44 years	2	2
Above 44 years	1	1

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors on long term basis.

Amounts for the current and previous years are as follows:

	(Amounts in Rs.)	
	March 31, 2018	March 31, 2017
Defined benefit obligation	15,14,043	15,58,672
Plan assets	-	-
Surplus / (deficit)	(15,14,043)	(15,58,672)
Experience adjustments on plan liabilities (loss)/gain	(63,769)	(1,04,699)
Experience adjustments on plan assets (loss)/gain	-	-

Contribution to Defined Contribution plans:

Particulars	(Amounts in Rs.)	
	March 31, 2018	March 31, 2017
Provident Fund	1,49,087	1,58,916

32. Supplementary Statutory Information

32.1 Earnings in foreign currency (on accrual basis)

Particulars	(Amounts in Rs.)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Exports at F.O.B. Value	-	-

32.2 Expenditure in foreign currency (on accrual basis)

Particulars	(Amounts in Rs.)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Travelling	3,63,098	6,49,959

32.3 Value of imports calculated on CIF basis (on accrual basis)

Particulars	(Amounts in Rs.)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw Materials	-	-

32.4 Imported and Indigenous Raw Materials, Stores and Spares Consumed

Raw Materials	% of total consumption For the year ended		Value (Amount in Rs.) For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Indigenous	100.00	100.00	10,62,26,760	9,22,67,348
Imported	-	-	-	-
	100.00	100.00	10,62,26,760	9,22,67,348
Stores and Spares				
Indigenous	100.00	100.00	7,42,445	4,75,794
Imported	-	-	-	-
	100.00	100.00	7,42,445	4,75,794

33. FINANCIAL INSTRUMENTS

Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(Amount in Rs.)

Particulars	31.03.2018	31.03.2017	01.04.2016
Non Current Investment at amortised Cost	3,24,70,486	3,24,70,486	3,24,70,486
Changes Due to FVTOCI	2,44,15,052	2,14,89,198	1,45,58,766
Non Current Investment at FVTOCI	5,68,85,538	5,39,59,684	4,70,29,252
Current Investments at amortised Cost	3,29,35,407	2,82,30,213	2,39,92,507
Changes Due to FVTPL	46,72,204	25,91,798	8,46,634
Current Investments at FVTPL	3,76,07,610	3,08,22,011	2,48,39,141



34. FIRST TIME IND AS ADOPTION RECONCILIATIONS

Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April, 2016

(Amount in Rs.)

Particulars	31.03.2017			01.04.2016		
	Previous GAAP	Effect of Transition to IND AS	As per IND AS	Previous GAAP	Effect of Transition to IND AS	As per IND AS
(I) ASSETS						
Non-current assets						
Property, Plant and Equipment	12,07,23,934	-	12,07,23,934	12,57,71,424	-	12,57,71,424
Capital Work in Progress	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-
Financial assets						
(i) Investments	3,24,70,486	2,14,89,198	5,39,59,684	3,24,70,486	1,45,58,766	4,70,29,252
(ii) Loans						
Non-Current tax assets(net)	-	-	-	-	-	-
(iii) Other Financial Assets	-	-	-	-	-	-
Deferred tax assets(net)	-	-	-	-	-	-
Other non-current assets	21,44,467	-	21,44,467	22,92,717	-	22,92,717
Current assets						
Inventories	1,71,95,942	-	1,71,95,942	1,79,91,183	-	1,79,91,183
Financial Assets						
(i) Trade Receivables	2,85,06,327	-	2,85,06,327	3,28,17,616	-	3,28,17,616
(ii) Cash and Cash Equivalents	93,140	-	93,140	27,34,231	-	27,34,231
(iii) Bank balances other than cash and cash equivalents						
(iv) loans						
(v) Investments	2,82,30,213	25,91,798	3,08,22,011	2,39,92,507	8,46,634	2,48,39,141
(vi) Other Financial Assets	-	-	-	-	-	-
Current tax assets(net)	-	-	-	-	-	-
Other current assets	2,21,05,123	-	2,21,05,123	2,29,05,766	-	2,29,05,766
Total Assets	25,14,69,632		27,55,50,628	26,09,75,929		27,63,81,330



(III) EQUITY AND LIABILITIES						
EQUITY						
Equity Share Capital	4,66,95,590	-	4,66,95,590	4,66,95,590	-	4,66,95,590
Other Equity	16,49,25,752	1,66,39,971	18,15,65,723	15,81,82,934	1,06,45,135	16,88,28,069
LIABILITIES						
Non-Current Liabilities						
Financial Liabilities						
(i) Borrowings	8,20,845	-	8,20,845	14,39,541	-	14,39,541
Other financial liabilities	-	-	-	-	-	-
(ii) Other financial liabilities						
Provisions	4,63,679	-	4,63,679	3,89,501	-	3,89,501
Other non-current liabilities	-	-	-	-	-	-
Deferred Tax Liabilities (Net)	33,61,761	74,41,027	1,08,02,788	37,85,809	47,60,268	85,46,077
Provisions	-	-	-	-	-	-
Other Non Current Liabilities	-	-	-	-	-	-
Current Liabilities						
Financial Liabilities						
(i) Borrowings	2,05,46,101	-	2,05,46,101	2,60,36,069	-	2,60,36,069
(ii) Trade Payables	50,53,327	-	50,53,327	48,55,386	-	48,55,386
(iii) Other Financial Liabilities	-	-	-	-	-	-
Provisions	39,63,763	-	39,63,763	36,82,840	-	36,82,840
Other Current Liabilities	33,38,812	-	33,38,812	66,77,381	-	66,77,381
Current Tax Liability(net)	23,00,000	-	23,00,000	92,30,876	-	92,30,876
Total Equity and Liabilities	25,14,69,630		27,55,50,628	26,09,75,926		27,63,81,330

**Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017
(Amount in Rs.)**

INCOME:	31.03.2017		
	Prevoius GAAP	Effect of Transition to IND AS	As per IND AS
Revenue from operations	15,78,22,866	1,26,55,640	17,04,78,506
Other Income	24,40,695	14,55,110	38,95,805
	16,02,63,561	1,41,10,750	17,43,74,311
EXPENSES:			
Cost of materials consumed	12,18,54,035	-	12,18,54,035
Purchase of Stock-in-Trade		-	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	7,47,008	-	-7,47,008
Employee benefit expense	87,51,447	-	87,51,447
Excise Duty Expense	-	1,26,55,640	1,26,55,640



Financial costs	17,08,987	2,03,228	19,12,215
Depreciation and amortization expense	53,45,742	-	53,45,742
Other expenses	1,76,34,789	4,93,281	1,71,41,508
	15,45,47,993	1,23,65,587	16,69,13,579
Profit before exceptional items and tax	57,15,568	17,45,163	74,60,731
Exceptional Items	-	-	-
PROFIT BEFORE TAX	57,15,568	17,45,163	74,60,731
TAX EXPENSES:			
Current tax	23,00,000	-	23,00,000
Current tax - Prior Year	-	-	-30,09,594
Deferred tax	4,24,048	5,39,255	1,15,207
PROFIT AFTER TAX	68,49,210	12,05,908	80,55,118

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in Rs.)

INCOME:	31.03.2017		
	Prevoius GAAP	Effect of Transition to IND AS	As per IND AS
Revenue from operations	15,78,22,866	1,26,55,640	17,04,78,506
Other Income	24,40,695	14,55,110	38,95,805
	16,02,63,561	1,41,10,750	17,43,74,311
EXPENSES:			
Cost of materials consumed	12,18,54,035	-	12,18,54,035
Purchase of Stock-in-Trade		-	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	-7,47,008	-	-7,47,008
Employee benefit expense	87,51,447	-	87,51,447
Excise Duty Expense	-	1,26,55,640	1,26,55,640
Financial costs	17,08,987	2,03,228	19,12,215
Depreciation and amortization expense	53,45,742	-	53,45,742
Other expenses	1,76,34,789	4,93,281	1,71,41,508
	15,45,47,993	1,23,65,587	16,69,13,579



Profit before exceptional items and tax	57,15,568	17,45,163	74,60,731
Exceptional Items	-	-	-
PROFIT BEFORE TAX	57,15,568	17,45,163	74,60,731
TAX EXPENSES:			
Current tax	23,00,000	-	23,00,000
Current tax - Prior Year	-30,09,594	-	-30,09,594
Deferred tax	-4,24,048	5,39,255	1,15,207
PROFIT AFTER TAX	68,49,210	12,05,908	80,55,118

Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP:

(Amount in Rs.)

Description	Profit Reconciliation	Other Equity	Other Equity
	Year Ended 31.03.2017	Year Ended 31.03.2017	Year Ended 31.03.2016
	Audited	Audited	Audited
Net Profit/ Other equity for the period as per Indian GAAP	5,715,567	164,925,752	158,182,934
Add/(Less): Adjustments under Ind AS			
a) Fair Value for Financial Assets	1,745,163	16,639,971	10,645,134
Net Profit/ Other equity (Including Revaluation Reserve) as per Ind-AS	7,460,731	181,565,723	168,828,069

35. The previous period figure have been rearranged/ regrouped wherever necessary to make them comparable with those of current period classification & disclosure. The figure's has been rounded off to nearest of rupees.

As per our report of even date

For N. R. & Company
Chartered Accountants
FRN – 015095C

Sd/-

Naveen Sawhney
Partner
Membership NO.– 073713

Place: New Delhi
Date : 30/05/2018

For and on behalf of Board of Directors
NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Ashok Kumar Modi
Managing Director
DIN:00051647

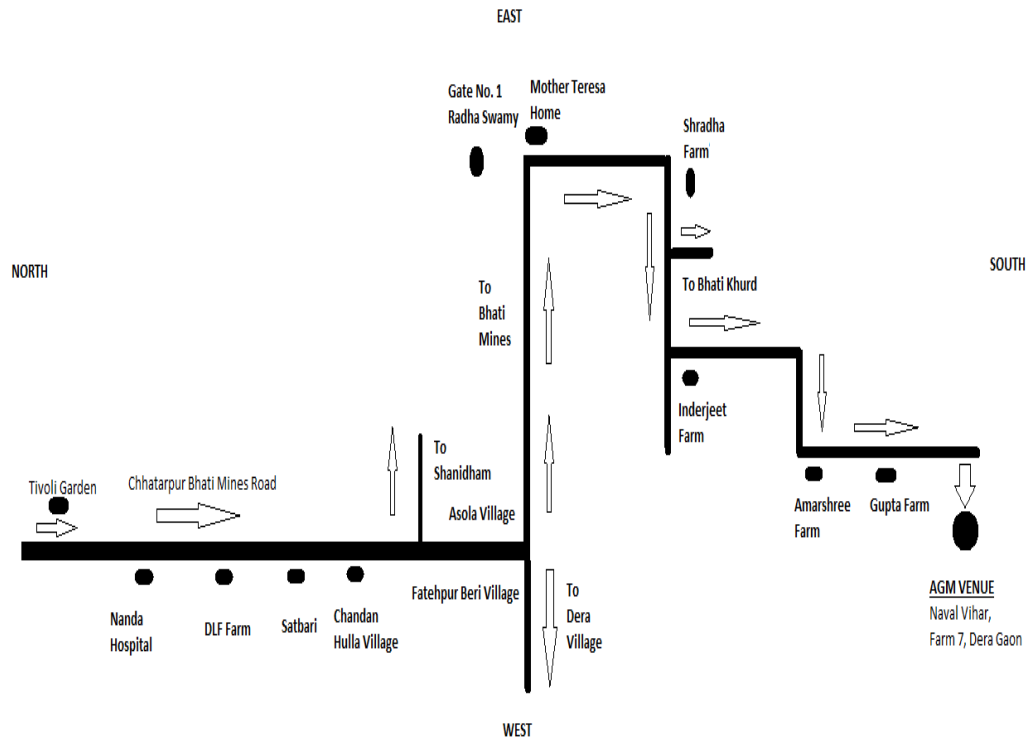
Sd/-

Vasu Modi
Director
DIN:00051696

Sd/-

Vandana Gupta
Company Secretary
Mem. No. ACS24012

ROUTE MAP FOR AGM VENUE





ATTENDANCE SLIP

NATIONAL GENERAL INDUSTRIES LIMITED

CIN : L74899DL1987PLC026617

Regd. Office : 3rd Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi – 110025

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE
Joint shareholders may obtain additional Slip at the venue of the meeting

Name of Shareholder	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in electronic form.

I certify that I am the registered shareholders / proxy for the registered shareholder of the Company.

I hereby record my presence at the 32nd Annual General Meeting of the Company held on Saturday, 29th September, 2018 at 11.30 a.m. at Nawal Vihar, Farm 7, Dera Gaon, New Delhi – 110030.

.....
Signature of Shareholder/Proxy



FORM OF PROXY

NATIONAL GENERAL INDUSTRIES LIMITED

CIN : L74899DL1987PLC026617

Regd. Office : 3rd Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi – 110025

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name	
Registered Address	
Email ID	
DP Id*	
Client Id*	
Folio No.	

*Applicable for members holding shares in Electronic form.

I/We, being the member(s) of _____ shares of National General Industries Limited, hereby appoint :

1. _____ (Name) of _____ (Address) having e-mail id _____ or failing him
2. _____ (Name) of _____ (Address) having e-mail id _____ or failing him
3. _____ (Name) of _____ (Address) having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 11.30 a.m. at Nawal Vihar, Farm 7, Dera Gaon, New Delhi – 110030 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote on the Resolutions in the manner as indicated below:

Sl.No.	Resolution	Number of shares held	For	Against
Ordinary Business				
1.	Consider and Adopt Audited Financial Statement, Reports of the Board of Directors and Auditors for the financial year ended March 31, 2018.			
2.	Re-appointment of Mr. Pawan Kumar Modi, who retires by rotation			

Signed this _____ day of _____ 2018

Affix
Revenue
Stamp of not
less than
Re. 0.15

Signature (s) of Member(s)

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. **The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.**
2. **A Proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.
4. ** This is optional. Please put a tick mark (V) in the appropriate column against the resolutions indicated in the box. If a member leave the “For” or “Against” column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.
5. Appointing proxy does not prevent such member from attending the meeting in person if he wishes so.
6. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
7. The form of Proxy confers authority to demand or join in demanding a poll.
8. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns “For” or “Against” as appropriate.

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If undelivered please return to:

National General Industries Ltd.

3rd Floor, Surya Plaza, K-185/1 Sarai Julena,
New Friends Colony, New Delhi-110025 (INDIA)